

Richard Nixon Presidential Library
White House Special Files Collection
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42	1	12/2/1968	Letter	To: Richard M. Nixon, President-Elect. From Charles Malik, Harvard Club of New York City. Re: Congratulations, worries on the Middle East and Communism, a stronger America. 5 pages.
42	1	12/01/1968	Report	Covert Operations of the United States Governemnt: Summary of Recommendations for Action by the President. 3 pages
42	1	12/01/1968	Report	Covert Operations of the United States Governemnt: Summary of Conclusions. 5 pages.
42	1	03/29/1967	Memo	President Johnson's Statement on the "Katzenbach Report". 2 pages.
42	1	12/01/1968	Memo	Memorandum for the President-Elect. Subject: Covert Operations of the United States Government. 25 pages.
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42	1	12/04/1968	Letter	To: Richard Nixon, President-Elect. From: Franklin Lindsay, Itek Corporation. Re: Study of the conduct of covert operations by the United States Government. 2 pages.
42	1	12/03/1968	Memo	Prepared for: James Rowley, Director of US Secret Service. Supervision of: Thomas Johns, Assistant Director- Protective Forces, US Secret Service.
42	1	11/01/1968	Memo	For: Mr. Nixon. Re: National Security Organization. 27 pages.
42	1	12/05/1968	Letter	To: Mr. C.C. Knudsen, Office of President-elect Richard M Nixon. From: Fred Rhodes, Jr, Secretary & Staff Director- Republican Policy Committee. RE: Bipartisan Boards and Commissions. 2 pages.
42	1	03/18/1968	Report	Bipartisann Boards and Commissions. Staff Report of the US Senate Republican Policy Committee. 28 pages
42	1	12/19/1968	Memo	To: Bob Haldeman. From: Buchanan. Re: Make-up of the Presidential Staff and its operation. 10 pages.
42	1	09/16/1969	Other Document	Reorganization of the Executive Office of the President.

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42	1	n.d.	Memo	Personal Notes on the Reorganization of the Personal Staff. 2 pages.
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42	1	n.d.	Memo	Initially Proposed Actions and the Current Status of Each. 7 pages.
42	1	n.d.	Memo	Personnel Working in Various Offices of the White House Staff Who Are Not Officially Listed by Carson Howell's Personnel Office. 5 pages.
42	1	12/17/1968	Memo	To: Richard M Nixon, President-elect. From: Franklin Lindsay, Task Force on Organization of the Executive Branch. Re: Administration Preservation and Reorganization Flexibility. 41 pages.
42	1	12/22/1968	Memo	To: HR Haldeman. From: Buchanan. Re: the "Diatribes" and the "Dissenter".
42	1	12/19/1968	Memo	From: Henry Loomis. Re: Task Force on Organization of the Executive Branch.

Charles Malik

~~Harvard Club of New York City~~
Harvard Club of New York City

*H-7 suggest you
read page 4 & 5 of
this letter.*

December, 1968

The Honorable
Richard M. Nixon
President-Elect of the United States of America
New York City, New York

*This is
excellent advice
(2 years old) which we
have not adequately
reflected in our action*

Dear Mr. President-Elect:

My cable was brief but I cannot tell you how ardent my congratulations were. I have been praying most sincerely for the success of your administration. May God enlighten your path and grant you every power in the momentous days ahead.

This is a great time in history and more depends on American leadership today than at any time in the past.

I am sure you have all the basic elements of the situation in the Middle East clearly before you. What is needed is a grounded vision of what constitutes real peace and stability in the Eastern Mediterranean, not just for tomorrow or next year, but for fifty and a hundred years. Such a vision is now possible and practicable, provided there is an adequate supply of depth and firmness.

The reason for hope resides in the fact that the situation is exceedingly fluid and formative; it admits therefore of creative transformation. It is not wholly unlike what faced the world in these parts fifty years ago after the First World War. Just as the forces concerned, both internal and external, came then to some decision on the Middle East, the forces concerned today--

and America is even more concerned now than it was in 1919--are called to decide on the fate of these peoples for the next pull. May the decision take into account the interests of man and freedom!

The overriding question in my opinion is whether certain countries in these parts are lost permanently so far as freedom and openness to the West are concerned. The squeeze on freedom and fundamental Western ideas is felt very keenly here.

It is not enough that the naval and air balance in the Eastern Mediterranean be preponderantly favorable for the West. Since nobody is thinking of an armed showdown between the great powers in the Middle East or over the Middle East, the important thing is how much decisive military preponderance translates itself in terms of local political and cultural realities. The translation so far has been adverse to Western interests and Western orientation, as well as to those who believe in the fundamental ideas of freedom.

The Communist presence has been making itself more and more felt in the Eastern Mediterranean and in certain parts of the Middle East, and the presence of the West has correspondingly retreated. Teachers, students, poets, intellectuals, governments, the press, the elements forming and guiding opinion and attitude, are for the most part now fundamentally oriented along Communist and anti-Western lines. I can cite thirty or forty slogans and clichés taken straight from Communist thought and propaganda, all charged with anti-Western intent, which have now gained popular currency among youth. I am not exaggerating in saying that the vogue now among educated youth is to read and imbibe Marx, Lenin, Mao, Ho and Ghevara, and hardly to read anything Western or liberal. Nothing, nothing is more serious. And the elements who believe in man, freedom, truth, reason and the fundamental values of the West are either

isolated or persecuted or squeezed out or in process of being morally or physically liquidated.

If the balance of pressure as between East and West continues on the whole to be in favor of the East-- I mean the gentle, steady, all-pervasive pressure-- then the fate of the Middle East is already sealed.

This is the magnitude of the problem and not merely the balance of military forces in the Eastern Mediterranean. Turkey, Iran, Greece and Saudi Arabia may continue to hold firm--although even these are becoming infiltrated and softened up from within--and the Sixth Fleet and its supporting Nato forces may continue to hold a decisive military edge over any opposing forces; and all this is necessary and good. But what if in the meantime the mind and soul and fundamental orientation of life and spirit here continue to rot and erode! The military is not an end in itself; the problem is to have it translate itself into political realities; unless it did that it were in vain.

I beg you to view the situation here in these terms. I have been saying these things for fifteen years, and I hope I will meet with greater luck now by having them at least considered by you.

To lay all this at the doorsteps of the Arab-Israeli conflict is a gross oversimplification. This conflict is central here but it need not have led to these developments. Nor are these developments now irreversible despite this conflict.

A wholly new vision for the Middle East is called for. I have more confidence now that in you such a vision can come to full articulation than I ever had with respect to any other person.

I fear one cannot say more about these momentous matters in a letter such as this.

I hope the burden of Viet Nam, both material and

moral, will be lifted or considerably reduced from off the shoulders of America; but I also hope that the objectives proclaimed by three successive American administrations and three successive American presidents, as well as the requirements of the overall world struggle, will not be forgotten in the process.

A strong and healthy America, an America that has rediscovered and reaffirmed its authentic traditional values, and reasserted its fundamental national unity, is the world's greatest need today. Let that happen, and let America then lead the great Western community, in humility and wisdom, but also firmly and unwaveringly, and every other problem will become manageable and will take its proper place in the scheme of things.

Surely the best minds should be enlisted and mobilized and the finest technicians brought together and given the happiest conditions to create and suggest. But ultimately the spirit matters most, and may the most authentic spirit, embodying the deepest in the great American heritage, now radiate clearly and steadily from the White House.

It is a matter of life and style, of transparent aims and reasons for existence; it is a matter of personal suffering and indubitable sincerity; it is a matter of homely phrases and pithy words--simple, deep, applauded by the cloud of witnesses of the ages. May God grant you all this, because you deserve it, because you are ready for it, and because America and the world need it. You have no idea, Mr. President-Elect, how much depends on the whole spirit and presence that pulsate from the White House today, not only for the hope and art of life of America, but of the entire world.

An initiative must be made in the realm of spirit and ideas. The world is parched for such an initiative. To be effective it must come from America. A stop must be put to the moral and intellectual and human drift and decay we have been suffering from in the past

several years. This drift has become intolerable. Ah how much I believe that America can save itself and the world!

My prayer for you is that you devote only five days a week to the pressing and necessary, and during the remaining two days you give yourself, in utter relaxation, to the consideration of the deeper and larger issues--the intangible things, the historical things, the inexpressible things, the destiny-laden things--freely, playfully, tenderly, detachedly. Over the weeks and months the fund of vision and strength and certainty that you will accumulate in this way will redound to the greatest glory of America and the deepest that America means and stands for.

Faithfully yours,

Allen Wicks

H
expect that advice -
even if we can
make it one full
day a week -

1 December 1968

COVERT OPERATIONS OF THE UNITED STATES GOVERNMENT

Summary of Recommendations for Action by the President

1. We recommend that the President concern himself directly with certain critical clandestine activities during the early days of his Administration. We believe, however, that major organizational and program changes are not priority tasks to which attention should be devoted during the first 90 days of the new Administration.

2. We recommend that the President not appoint a new Director of CIA during the first year of the Administration. The present Director, Richard Helms, is an able professional who has served continuously in the intelligence community since the early days of World War II and should be asked to continue serving at the pleasure of the President. He should not, however, give such a decision to continue Mr. Helms the kind of prominence which President-Elect Kennedy did when he announced as his first personnel decision the reappointment of Allen Dulles and J. Edgar Hoover.

3. The President should give one of his own senior assistants who has easy and direct access to him responsibility for watching all covert operations and direct him to

ascertain that before any covert operation is approved, all potential overt alternatives have been thoroughly canvassed and found unacceptable.

4. The President should ask to be briefed on the extent of covert capabilities and the extent of the clandestine service and its operations. The President as one of his early acts should ask the Director of CIA to advise him of any operations currently underway which might conceivably create serious problems.

5. The President should ask the Director of CIA to draft a letter from the President to the DCI which sets forth the scope of activities which the President can expect the CIA to be capable of handling, and to coordinate this draft with the Secretaries of State and Defense as well as the President's assistant for national security matters.

6. The President should make certain that his assistant concerned with intelligence remains informed on the current operational rules limiting potentially provocative overflights, surface or submarine incursions at sea and electronic stimulation.

7. The President should make it very clear to the Director of CIA that he expects him to say "No" when in the Director's judgment a proposed operation cannot be done within an acceptable risk of disclosure. In the past, problems have arisen when the CIA has accepted tasks beyond its capabilities.

8. The White House should maintain a standard form of "no comment" on clandestine activities, and a directive should be issued to the various departments to do likewise. Further, this policy should be made known publicly before there is a "flap."

9. Radio Free Europe and Radio Liberty should be funded overtly, either through a national foundation supported by government funds or through the USIA. We prefer that RFE and Radio Liberty be made a component of USIA but not the VOA. As to the lesser CIA "orphans" with a civilian base, such as the Asia Foundation, every effort should be made to obtain overt public support for them through a government financed national foundation.

1 December 1968

COVERT OPERATIONS OF THE UNITED STATES GOVERNMENT

Summary of Conclusions

I. Purposes and benefits of covert operations

1. The expertise of the clandestine service is secrecy. Covert operations should be called upon only when something should be done in a secret manner—and only when secrecy is possible. It is up to the President to determine what he wants done and whether it should be done secretly or openly.

2. An important function of a clandestine service is to maintain private liaison with important and potentially important people in other countries.

3. Covert operations permit forms of conflict which avoid open hostilities. This can be especially important in near-war situations.

4. Clandestine operations allow the Administration to support activities in one country without having the next country demand “equal treatment.” A foreign leader—government, labor, political—may need help desperately but be unable to accept it openly because of internal political repercussions.

5. Covert operations permit the Government to act quickly, bypassing domestic US political, bureaucratic, and budgetary controls.

II. Inherent limitations of covert operations

1. Covert operations can rarely achieve an important objective alone. At best, a successful covert operation can win time, forestall a coup, or otherwise create favorable conditions which will make it possible to use overt means to finally achieve an important objective.

2. Covert operations are best suited to tactical situations where success will bring an immediate short-term gain.

3. Large operations cannot be kept secret. Some things simply cannot be done truly secretly because of their size, duration, and impact.

4. In a bi-polar world, all-out covert operations could often be justified on the ground that they were like military measures designed to help our side at the expense of their side. In the complicated political world of today it is far more difficult to know who is on whose side, for there are no clear-cut or permanent sides.

III. Risks and costs of engaging in covert operations

1. In a war or near-war situation, much greater risks of exposure can be justified not only because of greater need for the activity but also because the penalties for exposure are far less than in a period of detente.

2. An individual, a political party, or a government in office may be seriously injured or destroyed by exposure of covert assistance from CIA. The more democratic the country or the more open its politics, the greater the possibility of damage.

3. On balance, exposure of clandestine operations costs the United States in terms of world opinion. To some, exposure demonstrates the disregard of the United States for national rights and human rights; to others it demonstrates only our impotence and our ineptness in getting caught. To still others it can expose secret US support for one of their political or national enemies.

4. The impression of many Americans, especially in the intellectual community and among the youth, that the United States is engaging in "dirty tricks" tends to alienate them from their government. Disclosures in this atmosphere have created opportunities for the "New Left" to affect a much wider spectrum of political opinion than otherwise would have been the case.

5. The United States has been in the forefront of those nations concerned with expanding the role of law in international affairs. Our credibility and our effectiveness in this role is necessarily damaged to the extent that it becomes known that we are secretly intervening in what may be (or appear to be) the internal affairs of other nations.

IV. Changes within CIA in the conduct of covert operations

1. The CIA does not need additional supervisory control but rather needs strict standards to be applied internally.

2. CIA can make an important contribution to counterinsurgency operations both before armed action begins and after. Its particular capabilities for developing local police intelligence capabilities, for counterintelligence and for skilled interrogation need to be used more effectively by the government.

3. Throughout the CIA's covert activities much greater attention must be paid to clandestinity. The Agency has often tolerated risks of disclosure which were far too high.

4. CIA internal control mechanisms should clearly distinguish between operations which must remain truly secret and operations that provide only nominal disclaimability. The latter are useful only when the objective is to avoid provoking an adversary by confronting him with the public knowledge of our activities.

5. CIA should concentrate on doing the special clandestine things that it is expected to be especially competent in accomplishing. Where, for sufficient political reasons, the government decides to support airlines, newspapers, publishing houses or radio stations, the CIA role should be limited to the secure transmission of funds, intelligence and possibly guidance or control.

6. It is our impression that CIA has become much too ingrown over the years. Nearly all of the senior people have been in the organization on the order of 20 years. Because of the special security restrictions surrounding CIA, and because it is concerned exclusively with foreign activities, there is an unusually great pressure to isolation and inwardness.

V. Organizational changes that have been proposed from time to time

1. Covert operations should be carried out by the same agency which handles clandestine intelligence collection. It is often suggested that the clandestine intelligence service should be separated from that service which engages in clandestine operations. We are firmly convinced this would be a mistake.

2. The collection of technical intelligence, involving large radio monitoring activities and use of overhead reconnaissance, has become the most important source of intelligence about unfriendly nations. This activity is today conducted both by the Defense Department and CIA although it is coordinated within the DOD. The arguments for consolidation of this activity center upon the tremendous cost and the possibilities of wasteful duplication rather than on operational security. We believe that the President should review the findings of the Eaton Committee and then consider whether or not you wish to appoint a committee to review this activity during your first year.

3. A third organizational issue is whether to separate the clandestine service from the intelligence analysis and estimating activity of CIA. Most of us believe that this would be a mistake.

APPENDIX I: PRESIDENT JOHNSON'S STATEMENT ON THE "KATZENBACH
REPORT"

FOR IMMEDIATE RELEASE

MARCH 29, 1967

Office of the White House Press Secretary

THE WHITE HOUSE

STATEMENT BY THE PRESIDENT

I have received the report from the committee which I appointed on February 15 to review relationships between the Central Intelligence Agency and private American voluntary organizations. This committee consisted of Under Secretary of State Nicholas Katzenbach, as Chairman, Secretary of Health, Education, and Welfare John Gardner, and CIA Director Richard Helms.

I accept this committee's proposed statement of policy and am directing all agencies of the government to implement it fully.

We will also give serious consideration to the committee's recommendation "that the government should promptly develop and establish a public-private mechanism to provide public funds openly for overseas activities of organizations which are adjudged deserving, in the national interest, of public support." To review concrete ways of

accomplishing this objective, I am requesting Secretary Rusk to serve as chairman of a special committee which will include representatives from the Executive, the Congress, and the private community.

1 December 1968

Memorandum for the President-Elect

SUBJECT: Covert Operations of the United States Government

During the past 8 years covert activity has come under increased public scrutiny and criticism. In part this has been the result of ill-conceived or poorly executed operations that "surfaced" dramatically, and in part the result of significant political changes within the United States and abroad. The world of the fifties has changed. Covert activities that were acceptable in the bi-polar, cold-war context now receive more open and wide-spread public criticism.

At the same time the demand for secret intelligence by the intelligence-defense community has been increasing, and the budgets for these activities have increased dramatically, especially in the field of sophisticated technical collection systems.

A review of the whole scope of the intelligence community's activities is something to which the President should devote himself not only because of its size but also because of the political risks which it creates for the United States and for the President. We do not, however, believe that major organizational changes are a priority task to which attention should be devoted during the first 90 days of your Administration.

Covert operations by which the United States secretly intervenes in the political, informational, economic, or other affairs of a foreign state involve special risks beyond those in normal intelligence or counterintelligence activities. The President should quickly be informed of the critical aspects of on-going covert operations. Because covert operations are not subject to normal bureaucratic and political controls, the President himself, we believe, should familiarize himself with their special benefits and costs and with the problems of locating and controlling these activities within the government. To assist the President in this task, this report presents our conclusions organized under the following headings:

- I. Purposes and benefits of covert operations
- II. Inherent limitations on covert operations
- III. Risks and costs of engaging in covert operations
- IV. Changes within CIA in the conduct of covert operations
- V. Organizational changes affecting covert operations
- VI. Action by the White House

The first three sections deal with benefits, risks, and costs of covert operations. But any observations on these points are inherently qualitative and deal with variables which cannot be weighed in the abstract. Indeed, each of us tends to give different relative weight to each factor depending on his own background and experiences.

I. PURPOSES AND BENEFITS OF COVERT OPERATIONS

1. Covert operations are an instrument; their only legitimate objective is to serve

the foreign policy of the President.

They are not an independent aspect of US foreign policy, but simply one way of furthering that policy. The expertise of the clandestine service is secrecy. Covert operations should be called upon only when something should be done in a secret manner—and only when secrecy is possible. It is up to the President to determine what he wants done and whether it should be done secretly or openly.

A covert capability is like a military capability. Its use is a presidential prerogative. As with the military service, the clandestine service should not be pursuing any projects, much less self-generated ones, except by presidential decision.

2. A significant function of a clandestine service is to maintain, privately, effective liaison with important and potentially important people in other countries.

A world in which issues are decided purely on their merits is unlikely ever to be attained. In most parts of the world, whom we know is likely to be as important as what we say and do. In some less developed countries, having the chief of police or the next minister of the interior as a drinking companion of one of our professional station chiefs will often be as valuable as the formal diplomatic contact of our ambassador. In contrast, official representatives are often severely limited in the people they can see because of the repercussions of such contacts on their other relationships. It is often important in less developed countries to have as close relations with the political “outs” as with the “ins.” Another important function of CIA is to identify potential leaders and to establish close relations on the chance that some will rise to high posts.

Because of their personal dependence upon intelligence and counterintelligence to maintain their personal positions, Prime Ministers and other important officials in new or unstable governments have been particularly eager to have good and close relations with CIA representatives. Such relationships have proved to be valuable points of influence as well as sources of information to the United States. Such relationships with important people in other parts of the world are a valuable asset and, like an insurance policy, are worth a good deal of expense even if never used.

3. Covert operations permit forms of conflict which avoid open hostilities; this can be especially important in near-war situations.

One of the great benefits of covert operations is that in a situation in which large national interests are at stake, the United States can engage in what amounts to a form of small-scale clandestine warfare without the commitment or costs of open conflict. The covert arm can equally serve both constructive purposes and those which frustrate activities opposed to United States interests.

4. At any time there are many legitimate reasons for doing things privately.

There is nothing inherently evil or wrong about privacy. Privacy often permits greater candor and less deference to irrelevant or uninformed political considerations. Yet the United States has very little sense of the "private" in public affairs. Hence, we look to CIA with an excessive sense of promise and an excessive sense of need.

A foreign leader—government, labor, political—may need help desperately but be unable to accept it openly because of internal political repercussions. We may wish to

support activities in one country without having the next country demand "equal treatment." A foreign government may be unable to accept overt assistance because of the danger of a reaction from another state. (In 1949, shortly after CIA was organized, it successfully delivered two shiploads of arms to Yugoslavia secretly because Tito feared provoking a Soviet invasion if the arms came overtly from the United States.) Important and constructive international activities may also need help but cannot accept overt US support without jeopardizing their position.

When our activities are injuring a party rather than helping him it may be equally important that they be private from third parties. For a long period of time the U-2 flights over the USSR were known to the USSR, but each of us thought it was to our interest to have the activity kept private from other countries and from domestic publics.

5. Covert operations permit the Government to act quickly, bypassing domestic US political, bureaucratic, and budgetary controls.

While these results may be double edged, there are some circumstances where the need for quick action may justify using secrecy for no purpose other than to bypass overly slow bureaucratic channels.

II. INHERENT LIMITATIONS ON COVERT OPERATIONS

1. Covert operations can rarely achieve an important objective alone. They are best suited to tactical situations where success will bring an immediate short-term gain. They are not a substitute for diplomacy, for economic programs or for military effort. At best, a successful covert operation can win time, forestall a coup, or otherwise

create favorable conditions which will make it possible to use overt means to finally achieve an important objective. In the case of Guatemala, for example, we understand that CIA explicitly stated that the overthrow of Arbenz could only buy time, and that the creation of a successful, stable noncommunist government could only be accomplished by overt programs which would follow.

There is no point in CIA initiating an operation if the AID budget, for example, is inadequate to support successful follow-through.

2. Large operations cannot be kept secret.

Some things simply cannot be done truly secretly because of their size, duration, and impact. The Bay of Pigs, even if it had succeeded, could not possibly have been done in a way that would have hidden the American hand, simply because no other power in the Western Hemisphere had the capability to support such an operation.

3. The further we are from a war-like or cold-war situation, the greater the difficulty in knowing who should be helped and who opposed, secretly or otherwise.

In a bi-polar world, covert operations could often be justified on the ground that they were like military measures designed to help our side at the expense of their side. In the complicated political world of today it is far more difficult to know who is on whose side, for there are no clear-cut or permanent sides, and we run a high risk of doing harm rather than good. We live in a world where there are cross-cutting conflicts, where on one issue we have one set of allies and friends and on other issues different sets of friends, and where there is no all-out enemy on all issues. To the extent that

we act as though the world were divided into two camps—"friends" and "enemies"—we may alienate potential friends and neutrals and embrace allies of doubtful long-term value. Covert operations thus must be judged more carefully and their impact assessed more rigorously than was the case in the early fifties.

4. The administration should recognize that because of the non-routine and non-repetitive nature of its tasks, CIA more than most operating agencies will tend to overestimate its capability to accomplish objectives and to overestimate its ability to maintain security.

III. RISKS AND COSTS OF ENGAGING IN COVERT OPERATIONS

Covert operations carry with them two types of costs: most costs are associated with the risk of exposure; some costs are associated with the activity even if there is no exposure.

In a war or near-war situation, much greater risks of exposure can be justified not only because of greater need for the activity but also because the penalties for exposure are far less than in a period of detente. One of the principal reasons CIA continued many operations, such as the support of the National Student Association, until they were blown was that a part of CIA failed to recognize that the risks and penalties of exposure had increased greatly since the operations were started. They were started in a period of intense cold war which justified the risks of exposure and which meant that the costs of exposure were not very great. In intervening years, the

world shifted in its attitudes toward detente which increased both the risk of exposure and the damage should exposure take place.

There are several types of costs to be considered:

1. Costs in the country where the operation is conducted

Some adversaries may be provoked into stronger opposition to us by discovery of covert operations run against them. However, against an already hostile opponent many types of operations are expected, and we receive as good as we give. Here the costs of exposure will often be only the loss of an important intelligence asset or the exploitation of the exposure in, say, Soviet or Chinese propaganda.

In contrast, a government which we are trying to convert from an opponent into a friend or at least a neutral, or a government with which we are operating on fairly good terms may be quite upset to discover that we have been secretly tampering with what goes on in its country.

An individual, a political party, or a government in office may be seriously injured or destroyed by exposure of covert assistance from CIA. The more democratic the country or the more open its politics, the greater the possibility of damage.

Even without exposure, financial support often weakens those we are trying to help. Just as a rich uncle is likely to hurt a young man more than he helps him by putting him on a large allowance, CIA support to a foreign political movement can make it fat and lazy and less able to earn the local support it needs for long-term success.

2. Costs in third countries

Exposure of a clandestine US operation may convince some in the world that the United States is powerful and tough. By and large, however, exposure costs the United States in terms of world opinion. To some, exposure demonstrates the disregard of the United States for national rights and human rights; to others it demonstrates only our impotence and our ineptness in getting caught. To still others it can expose a secret US support for one of their political or national enemies. In the eyes of many we will have reduced our moral standards to those whom we condemn; we may convince the world that we are really no different and no better than those we criticize.

3. Costs in the United States

These costs are of three kinds:

a. The impression of many Americans that the United States is engaging in "dirty tricks" tends to alienate them from their government. This is especially true of the intellectual community and the youth. Disclosures in this atmosphere have created opportunities for the "New Left" to affect a much wider spectrum of political opinion than otherwise would have been the case.

b. The above has a specific cost: enlisting the cooperation of the academic community has become much more difficult. Yet, over the long term, such cooperation is essential if the quality of intelligence research and analysis is to remain first rate.

c. The very by-passing of some of the checks and balances of our political procedures which makes covert operations convenient tends, over the long term, to weaken

those procedures. There is a cost to letting Congressmen indulge in the luxury of approving some things in private which they are reluctant to approve in public.

4. Damage to the international system

To an ever greater extent, American security as well as the avoidance of international anarchy will depend upon increasing respect by governments for the legitimate interests of other governments and for the developing rules of international behavior. For more than 20 years the United States has been in the forefront of those nations concerned with expanding the role of law in international affairs. Our credibility and our effectiveness in this role are necessarily damaged to the extent that it becomes known that we are secretly intervening in what may be (or appear to be) the internal affairs of other nations. The character of such secret intervention makes it difficult for the United States to justify it and reconcile it with the general principles of international behavior for which we stand.

For the United States to respect international law and the reasonable laws of other countries will not of itself be enough to produce comparable conduct by other governments. But so long as we violate the rules we would like to see respected we cannot expect others to respect them. We have a very real interest in promoting the international acceptance of rule by law, hence we have a special incentive to reduce to a minimum the occasions when we disrupt it with clandestine activities which violate the rules which we think all governments ought to respect.

IV. CHANGES WITHIN CIA IN THE CONDUCT OF COVERT OPERATIONS

1. The CIA does not need additional supervisory control but rather needs strict standards to be applied internally. Notwithstanding the emphasis upon negative controls, CIA also requires stimulation, inspiration, and guidance as to its foreign policy contributions.

Superimposing additional committees or more Congressional supervision on top of the CIA is unlikely to do any good and might do some positive harm. On the other hand internal institutional arrangements are needed to assure:

- a. High standards of professional clandestinity
- b. Adequate consideration of overt alternatives to proposed projects
- c. Adequate restraints on self-generated and self-perpetuating projects
- d. Full consideration at the outset of a project of means to terminate the activity when objectives are realized, when the function can be handled by overt public or private agencies, or when the risks begin to become unacceptably high
- e. Realistic evaluation at the outset of the risks involved and of "disaster" plans in the event of disclosure

The focus for a rigorous technical design review of all proposed operations should be within CIA at the level of the Deputy Director for covert operations (DDP).

Such an examination should include:

- (1) Technical cost of the project in money, manpower, and critical resources
- (2) The chance of success, of failure, and of an indecisive outcome
- (3) The chance of disclosure
 - (a) In the short run
 - (b) In the long run
 - (c) How these chances can be reduced and the consequential effects on operational efficiency
- (4) Costs to the covert apparatus if there is disclosure and means of reducing these costs

2. CIA can make an important contribution to counterinsurgency operations both before armed action begins and after. Its particular capabilities need to be emphasized and used more effectively by the government.

a. In counterinsurgency situations, it is important to concentrate upon the development of police intelligence capabilities. This effort was commenced very late in the Vietnamese War, perhaps too late. However, since police intelligence and security services can be abused, it may be desirable to develop decentralized police intelligence resources (e.g., training chiefs of towns and prominent provincial police forces as well as national police officers). It is also important to

establish effective influence over national police forces to minimize their potential for exploitation by extremist political elements.

b. Closely related to police work is counterintelligence activity, replete with dossiers and painstaking penetrations of all levels of revolutionary and subversive organizations. Our own counterintelligence resources should be used to augment local activities as well as to train their personnel.

c. The skills of interrogation are invaluable; in general, these skills are slowly created in wartime and dissipated in the post-war demobilization. It is essential to provide the incentives to maintain a group of skilled interrogators, linguistically capable and well-paid. One can get more data from their efforts at a lower price than in most other ways.

These special intelligence skills were inadequately used in Vietnam, especially at the outset. As a consequence the military uprising of the Viet Cong has been more effective and harder to put down than might otherwise have been the case.

3. Throughout the CIA's covert activities much greater attention must be paid to clandestinity.

The CIA has in the past often engaged in projects which it could not expect to remain secret. In some cases, like the Berlin Tunnel, this has been justified, but the Agency has often tolerated risks of disclosure which were far too high. In some cases just plain sloppy work has greatly increased those risks. The passing of CIA funds to the National Student Association and to the many other organizations was so badly set

up that when one disclosure was made an entire string of cover foundations came apart like a run in a stocking.

The major costs of covert activities occur only when those activities are disclosed. Further, one disclosure often contaminates many innocent activities by creating suspicions about them. The President has a right to expect that the CIA will generally recommend against projects which have any appreciable risk of disclosure and will do a far better job keeping secret those activities in which it is instructed to engage.

However, since these disastrous disclosures, there is every reason to expect that CIA has paid very serious attention to improving its operations and to correcting weaknesses that could lead to further disclosures.

4. CIA internal control mechanisms should clearly distinguish between operations which must remain truly secret and operations that provide only nominal disclaimability. The latter should be employed only when the objective is to avoid provoking an adversary by confronting him with the public knowledge of our activities. Often a government can live with the secret knowledge of our activities but cannot accept public disclosure (the Russians knew for 5 years of the U-2 overflights, but until they could shoot one down, they preferred to say nothing and to raise no political issue).

In the past this distinction between these two activities has tended to be blurred. Truly secret operations require a very, very high probability that there will be no disclosure. In calculating that probability it should be borne in mind that errors will

occur. Since even a very high probability leaves a significant risk of disclosure, back-up plans are essential.

5. CIA should concentrate on doing the special clandestine things that it is expected to be especially competent in accomplishing. It should not engage in operating airlines or running newspapers, publishing houses or radio stations. Where, for sufficient political reasons, the government decides to support such activities, the CIA role should be limited to the secure transmission of funds, intelligence and possibly guidance or control. Furthermore, CIA should not supply the major portion of funds for large scale activities. This recommendation also applies to activities which, though technically not within CIA's budget, are funded through transfer payments to the Agency. The criterion is not one of dollar amounts, but the probable consequences for security in large-scale extended operations.

6. It is our impression that CIA has become much too ingrown over the years. Nearly all of the senior people have been in the organization on the order of 20 years. Because of the special security restrictions surrounding CIA, and because it is concerned exclusively with foreign activities, there also is a strong tendency toward isolation and inwardness which is not as great in overt organizations. There is a consequent tendency toward excessive conformity and a lack of innovativeness and perspective which could be stimulated by greater contact with outside groups.

A clandestine service needs people with a variety of backgrounds. There should be continuing middle-level recruiting from both the private and government sectors and

from among the group of "in and outers," with more lateral movement both "in" and "out." We believe that only a small percent of people should stay with the Agency more than 20 years and that perhaps half should be there less than 10 years.

At the same time there should be longer tours of foreign duty for key case officers than is the case in the Foreign Service, since continuity and expertise are especially valuable for case officers overseas. Close personal knowledge of people and organizations require high language proficiency and years of residence. This valuable investment should not be wasted by rotating a key man just when he is beginning to develop a real depth of understanding.

7. The application of rigid standards of secrecy for covert operations will tend to reduce substantially the number and scope of covert operations run by CIA. This in turn will reduce the risks of exposure and lessen the political problems of the President in his relations with segments of the public and the Congress as well as with foreign governments.

V. ORGANIZATIONAL CHANGES AFFECTING COVERT OPERATIONS

1. Covert operations should be carried out by the same agency which handles clandestine intelligence collection. It is often suggested that the clandestine intelligence service should be separated from that service which engages in clandestine operations. We are firmly convinced this would be a mistake. The argument made for separation of the two activities is that an operational organization that collects intelligence as well will tend to bias its intelligence to support and justify the operational programs

to which it is committed (e.g., Bay of Pigs). This is a real danger. But safeguards can be established within a single organization. The arguments against separation are more fundamental and outweigh the arguments for separation. First, most covert operations also yield substantial intelligence, especially in political matters. Second, the support to foreign individuals and groups given as a part of covert operations also increases the capability of the recipients to produce intelligence and the motivation to provide it to us. Finally, the disadvantages of having two national clandestine services separately existing and functioning in the same country have been demonstrated time and again to be overwhelming. It appears, for example, that the dangers of enemy penetration of a clandestine service are greatly increased if there is more than one service.

2. The collection of technical intelligence, involving large radio monitoring activities and use of overhead reconnaissance has become the most important source of intelligence about unfriendly nations. This activity is today conducted both by the Defense Department and CIA although it is coordinated within the DOD. The arguments for consolidation of this activity center upon the tremendous cost and the possibilities of wasteful duplication rather than on operational security. We believe that you should give consideration to the recent Eaton committee review of this activity. One possible solution that should be considered is to combine all major technical collection programs under a single operating agency similar to the National Security Agency which does cryptographic analysis and which coordinates related collection efforts.

3. A third organizational issue is whether to separate the clandestine service from the intelligence analysis and estimating activity of CIA. Here the arguments for and against are more nearly balanced. A principal argument for separation is that analysts and estimators can derive much of their information from open sources and much of the background for interpretation of events from close-working associations with other institutions such as the universities. These vital associations, which were so strong in the early days of CIA, have now tended to atrophy. In part this has been the result of the increasing (but false) belief in academic communities that anyone connected with CIA must automatically be engaged in covert operations and that this is inconsistent with academic freedom. In part it is also because CIA has increasingly turned inward and has tended to shut itself off from this vital outside connection. Separating covert activities from CIA might help to restore a much closer working relationship between the Agency and the universities and to broaden the base from which highly qualified professionals can be recruited into government service. Furthermore, it is argued that the separation of research, analysis, and estimating from collection would assure a high measure of objectivity in analysis. Yet within CIA, analysis is now under one organization and collection under another so that the potential "conflict of interest" is in large part protected against.

An argument for retaining covert activities within CIA is that an important part of the raw intelligence used is derived from special sources, the security of which must be protected most carefully in isolated areas. Another argument is that the quality

of CIA analytical personnel is high and the turnover has been low, notwithstanding the association of the clandestine activities with the estimating and analysis functions.

An additional argument that has been made against the separation of the clandestine service from CIA is that without the glamour of the clandestine service in the eyes of a key part of the Congress, it would be increasingly difficult to obtain the level of funds needed for the analysis and estimating activities. Further, association with clandestine activities may tend to increase the credibility of CIA within the government and to increase its survivability as an independent agency in the face of encroachments from State and Defense. Perhaps the most important reason is that a source of both intelligence collection and analysis independent from State and Defense is an invaluable source of Presidential information. It helps to preserve Presidential policy options by providing a check on intelligence estimates prepared by major departments to defend their budget requests.

Although the conclusion was not unanimous, the majority of this group favored retention of the clandestine service (DDP) and intelligence directorate (DDI) within the same agency.

VI. RECOMMENDATIONS FOR ACTION BY THE WHITE HOUSE

1. Even though covert operations do not involve large sums of money and are not normally in the public view unless they go wrong, covert activities are Presidential business. The costs which will be incurred if a given covert activity is exposed are largely political; it is a political judgment as to whether the potential benefit is worth

the political risk. That judgment cannot be left to the professional experts in clandestine activity. On the other hand the exact means for putting some person in the possession of funds or for placing some person in deep cover are the kinds of matters which can properly be left to professionals.

2. The President should give one of his own senior assistants for national security affairs, who has easy and direct access to him, responsibility for watching all covert operations and direct him to ascertain that before any covert operation is approved, all potential overt alternatives have been thoroughly canvassed and found unacceptable.

3. The President should be informed on the order of magnitude and nature of existing operations.

We believe the President should ask to be briefed on the extent of covert capabilities and the extent of the clandestine service. He should also ask the Bureau of Budget to review and present to him in summary form dollar figures indicating the current costs of different aspects of existing intelligence activities, including information gathering, analysis, and counterintelligence operations. These figures will show that electronic and photographic reconnaissance and cryptography are major and very expensive operations and that perhaps four-fifths of the total intelligence budget goes to the Department of Defense. This report does not consider whether these large technical operations should be reduced or increased in scale. In the section of this report dealing with organization we have proposed that the President initiate a study of the

organization of large scale technical intelligence activities. Such a study might also examine the value of intelligence collected by such means in relation to the costs incurred.

The President and his staff should recognize that, with the exception of large technical intelligence programs, normal budgetary controls or controls on the number of personnel are quite inadequate to control covert operations. A covert operation costing only a few tens of thousands, if exposed, could cause an international crisis of major importance.

4. The President-elect should ask the Director of CIA to draft a letter from the President to the DCI which sets forth the scope of activities which the President can expect the CIA to be capable of handling, and to coordinate this draft with the Secretaries of State and Defense as well as the President's assistant for national security matters. If on reviewing the draft, the President wishes to further expand the scope of CIA's activities, he should be sure his revised instructions do not ask CIA to do more than it can handle securely.

5. The President should make certain that his assistant concerned with intelligence remains informed on the current operational rules limiting potentially provocative overflights, surface or submarine incursions at sea and electronic stimulation.

The President should be informed at an early date of the guidelines which are currently being employed to limit U-2, SR-71, and other overflights. He should also be aware of present practices involving naval, electronic surveillance, and overhead

reconnaissance. In seeking information about defensive radars, or potential defensive responses, US ships such as the Pueblo, for example, can acquire more information if they surprise another country into turning on its secret radars or otherwise reacting to an unexpected situation. There is obviously a delicate line somewhere between creating a crisis on the one hand and passively waiting until information falls into our hands on the other. To limit the risk of Pueblo-like crises, current practices should be reviewed to make sure that the information they are producing justifies the risk the President is running, and that these risks are consistent with foreign policy objectives.

6. Continuous White House attention needs to be given to the development and maintenance of overt alternatives and options to proposed or existing covert operations.

Because a covert activity involves both political costs and the undercutting of normal political controls there is a strong presumption that if an objective can be accomplished overtly, rather than covertly, it should be. Bureaucratic pressures (easy access to money, availability of personnel, avoidance of delays and clearances, etc.) often press toward a covert project. It will take constant White House interest and the development of competing options in other departments and agencies to make sure that the overt course of action in fact gets priority.

Because of continuing budget restrictions for foreign aid, cultural exchanges, and information activities, it is likely that the pressures for use of covert funds will increase rather than decrease, since in the past it has proved easier to get covert funds for these purposes from Congress rather than overt. We believe that this pressure of

expediency should be strongly resisted because it is likely to lead to more future trouble than it is worth. The levels of covert and overt foreign activity should be "in balance" in the sense that there is no purpose in launching covert activities if funding is insufficient to support overt activities needed to consolidate the success.

7. The President should make it very clear to the Director of CIA that he expects him to say "No" when in the Director's judgment a proposed operation cannot be done within an acceptable risk of disclosure. Too often in the past covert operations have been pressed on CIA by other parts of the government in order to avoid bureaucratic problems in accomplishing the same objective overtly. And too often CIA has uncritically accepted the task in an effort to be helpful.

8. The President as one of his early acts should ask the Director of CIA to advise him of any operations currently under way which might conceivably create serious problems. The Bay of Pigs preparations, for example, continued into the Kennedy administration apparently without any clear understanding that it should either be stopped immediately or given full support.

9. The White House should maintain a standard form of "no comment" on clandestine activities, and a directive should be issued to the various departments to do likewise.* Further, this "no comment" policy should be made known publicly before there is a "flap."

*A NSAM or its equivalent should identify those persons responsible for coordination in the event of an embarrassing "leak" and the specific telephone numbers to be called at such times.

The natural tendency to deny charges that are wholly unfounded, and to say "no comment" only to charges which have some truth results in an unfortunate association between the President and clandestine activities. The White House should develop a standard "no comment" paragraph which it issues in response to any question on clandestine activities, no matter how ridiculous the charge.

The indecision, denials and subsequent admissions that surrounded the U-2 incident demonstrate the desirability of a standard noncommittal response from the White House.

10. The new administration will face a specific problem early in the year which has been carried over from the old administration, namely, what to do about the "CIA orphans." As a consequence of the National Student Association and other disclosures, a government committee headed by Nicholas Katzenbach proposed that the government under no circumstances provide future clandestine support to private educational, philanthropic and cultural organizations. Subsequently this was approved by the President who directed that henceforth no such support be provided by CIA. In order to comply technically, Radio Free Europe, Radio Liberty, and similar organizations were given large single payments sufficient to carry them through fiscal year 1969. The incoming administration will immediately be faced with one of four courses of action:

—terminate government support of RFE, which will mean the loss of an important and effective channel into Eastern Europe

—propose to Congress that overt funding be provided through some form of national foundation and try to find interim funds until this is accomplished

—modify the policy publicly enunciated by the outgoing administration to permit continued covert support to RFE and similar activities

—consolidate RFE into the VOA and support it to the extent possible through USIA appropriations.

We believe that it will be impossible to resume covert funding without public knowledge, and we recommend that RFE and Radio Liberty be funded overtly either through a national foundation supported by government funds or through the USIA. We prefer that RFE and Radio Liberty be made a component of USIA but not the VOA. If covert funding is resumed we consider it unwise to permit RFE to continue to solicit private contributions as a “cover.” In the past the American public was misled into believing that RFE is supported by their contributions. As to the lesser “orphans” with a civilian base, such as the Asia Foundation, every effort should be made to obtain public support for them through a government financed national foundation.

11. Although many of the previous recommendations suggest a reduction in the scale of covert activities, it is important that the CIA be maintained at a viable level, with the capability to expand its scale of activities should circumstances so dictate. The present covert organization is an invaluable asset that has taken years to create and should be kept in being even though it is used at less than “capacity” in the period immediately ahead.

APPENDIX II: EXCERPTS FROM THE "KATZENBACH REPORT"

In summary, the committee offers two basic recommendations:

1. It should be the policy of the United States Government that no federal agency shall provide any covert financial assistance or support, direct or indirect, to any of the nation's educational or private voluntary organizations.
2. The Government should promptly develop and establish a public-private mechanism to provide public funds openly for overseas activities of organizations which are adjudged deserving, in the national interest, of public support.

.....

STATEMENT OF POLICY

No federal agency shall provide any covert financial assistance or support, direct or indirect, to any of the nation's educational or private voluntary organizations. This policy specifically applies to all foreign activities of such organizations and it reaffirms present policy with respect to their domestic activities.

Where such support has been given, it will be terminated as quickly as possible without destroying valuable private organizations before they can seek new means of support. *

We believe that, particularly in the light of recent publicity, establishment of a clear policy of this kind is the only way for the government to carry out two important responsibilities. One is to avoid any implication that governmental assistance, because it is given covertly, is used to affect the policies of private voluntary groups. The second responsibility is to make it plain in all foreign countries that the activities of private American groups abroad are, in fact, private.

The committee has sought carefully to assess the impact of this Statement of Policy on CIA. We have reviewed each relevant program of assistance carried out by the Agency in case-by-case detail. As a result of this scrutiny, the committee is satisfied that application of the Statement of Policy will not unduly handicap the Agency in the exercise of its national security responsibilities. Indeed, it should be noted that, starting well before the appearance of recent publicity, CIA had initiated and pursued efforts to disengage from certain of these activities.

*On the basis of our case-by-case review, we expect that the process of termination can be largely—perhaps entirely—completed by December 31, 1967.

The committee also recommends that the implementation of this policy be supervised by the senior interdepartmental review committee which already passes on proposed CIA activities and which would review and assist in the process of disengagement. **

**If the Statement of Policy is to be effective, it must be rigorously enforced. In the judgment of this committee, no programs currently would justify any exception to this policy. At the same time, where the security of the nation may be at stake, it is impossible for this committee to state categorically now that there will never be a contingency in which overriding national security interests may require an exception—nor would it be credible to enunciate a policy which purported to do so.

We therefore recommend that, in the event of such unusual contingencies, the interdepartmental review committee be permitted to make exceptions to the Statement of Policy, but only where overriding national security interests so require; only on a case-by-case basis; only where open sources of support are shown to be unavailable; and only when such exceptions receive the specific approval of the Secretaries of State and Defense. In no event should any future exception be approved which involves any educational, philanthropic, or cultural organization.

2: NEW METHODS OF SUPPORT

While our first recommendation seeks to insure the independence of private voluntary organizations, it does not deal with an underlying problem—how to support the national need for, and the intrinsic worth of, their efforts abroad.

Anyone who has the slightest familiarity with intellectual or youth groups abroad knows that free institutions continue to be under bitter, continuous attack, some of it carefully organized and well-financed, all of it potentially dangerous to this nation.

It is of the greatest importance to our future and to the future of free institutions everywhere that other nations, especially their young people, know and understand American viewpoints. There is no better way to meet this need than through the activity of private American organizations.

The time has surely come for the government to help support such activity in a mature, open manner.

Some progress toward that aim already has been made. In recent years, a number of federal agencies have developed contracts, grants, and other forms of open assistance to private organizations for overseas activities. This assistance, however, does not deal with a major aspect of the problem. A number of organizations cannot, without hampering their effectiveness as independent bodies, accept funds directly from government agencies.

The committee therefore recommends that the Government should promptly develop and establish a public-private mechanism to provide public funds openly for overseas activities of organizations which are adjudged deserving, in the national interest, of public support.

Such a mechanism could take various forms. One promising proposal, advanced by Mr. Eugene Black, calls for a publicly funded but privately administered body patterned on the British Council.

The British Council established in 1934, operates in 80 countries, administering approximately \$30,000,000 annually for reference libraries, exhibitions, scholarships, international conferences, and cultural exchanges. Because 21 of its 30 members are drawn from private life, the Council has maintained a reputation for independence, even though 90 percent of its funds are governmental.

According to the UNESCO Directory of Cultural Relations Services, other nations have developed somewhat similar institutions. The Indian Council for Cultural Relations, for example, is entirely government-financed but operates autonomously. The governing body of the Swedish Institute for Cultural Relations consists of both government and private members. This institute receives 75 percent of its funds from the government and the remainder from private contributions.

The experience of these and other countries helps to demonstrate the desirability of a similar body in the United States, wholly or largely funded by the federal government.

Another approach might be the establishment of a governmental foundation, perhaps with links to the existing Federal Inter-Agency Council on International Education and Cultural Affairs.

Such a public-private body would not be new to the United States. Congress established the Smithsonian Institution, for example, more than a century ago as a private corporation, under the guardianship of Congress, but governed by a mixed public-private Board of Regents.

The committee began a preliminary study of what might be the best method of meeting the present need. It is evident, however, that, because of the great range both of existing government and private philanthropic programs, the refinement of alternatives and selection among them is a task of considerable complexity. Accordingly, we do not believe that this exclusively governmental committee is an appropriate forum for the task and we recommend, instead, the appointment of a larger group, including individuals in private life with extensive experience in this field.

The basic principle, in any event, is clear. Such a new institution would involve government funds. It might well involve government officials. But a premium must be placed on the involvement of private citizens and the exercise of private judgments, for to be effective, it would have to have—and be recognized to have—a high degree of independence.

The prompt creation of such an institution, based on this principle, would fill an important—and never more apparent—national need.

Respectfully,

/s/ John W. Gardner
Secretary of
Health, Education and Welfare

/s/ Richard Helms
Director of
Central Intelligence

/s/ Nicholas deB. Katzenbach
Under Secretary of State,
Chairman

December 4, 1968

The Honorable Richard M. Nixon
Hotel Pierre
New York, New York

Dear Mr. President-Elect:

During the last 15 months a study group composed of people with backgrounds in intelligence matters and foreign affairs has met under the sponsorship of the Institute of Politics of Harvard University to study the conduct of covert operations by the United States government.

This has been an entirely private group, and no publicity on its existence or findings has been given or is planned. The memorandum attached is the product of the group's work and is intended for the private use of the new administration.

The report covers only the clandestine operations of the government. It does not cover the research, analysis and estimating functions, nor the technical intelligence activities, except in respect to certain broad organizational matters.

In our report we recommend that you should concern yourself with certain critical clandestine activities during the early days of your Administration. We believe, however, that major organizational and program changes are not priority tasks to which attention should be devoted during the first 90 days of your Administration. In particular, we recommend that you not appoint a new Director of CIA during the first year of your Administration. The present

December 4, 1968

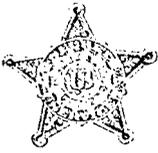
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director is an able professional who has served continuously in the intelligence community since the early days of World War II. CIA has not been a political organization. Its people have served successive administrations with equal loyalty. We believe it will help CIA to become less conspicuous and more professional if you ask Mr. Helms to continue to serve as Director at your pleasure. (There is no reason, however, to give such a decision the kind of prominence which President-Elect Kennedy did when he announced as his first personnel decision the reappointment of Allen Dulles and J. Edgar Hoover.) By the end of the first year, you will be in a better position to make changes which you believe are called for in the organization of the intelligence agencies and in the guidelines for their activities.

A next-to-final draft of this memorandum was reviewed with Mr. John A. Bross, one of the senior officials of CIA, and the findings have been discussed with him. CIA views, however, were not sought during the study, and the conclusions represent only the private views of the participants.

Sincerely,


Franklin A. Lindsay



TREASURY DEPARTMENT
UNITED STATES SECRET SERVICE

OFFICE OF THE DIRECTOR

WASHINGTON, D.C. 20226

DECEMBER 3, 1968

PREPARED FOR : James J. Rowley
Director
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Assistant Director-Protective Forces
United States Secret Service

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United States Secret Service

November 1, 1968

MEMORANDUM FOR MR. NIXON

NATIONAL SECURITY ORGANIZATION

Summary

On January 20 you will take charge of the immense apparatus guarding American security. You will have to start making decisions on subjects ranging from the missile-mix for the mid-seventies to tomorrow's instructions for a tariff negotiation. This memorandum concerns ways in which you might most quickly gain control of the labyrinthine bureaucracies that handle diplomatic, intelligence, military and foreign economic affairs.

What you will want from these bureaucracies is obvious--full and timely advice on problems you must face and ought to face; recommendations reflecting your own policies and preferences and sense of priorities; and action carrying out your decisions. You cannot, however, count on the government's automatically supplying your needs. Every agency and subagency will have its own self-interested view of what is best for the nation. Each will have its own priorities, and each will differ in the degree of efficiency with which it operates. You will need arrangements for policy-making that take account of these facts.

You need not, of course, build from the ground up. There exists a valuable body of experience concerning White House policy coordination. A recently established Senior Interdepartmental Group, with its subsidiary Interdepartmental Regional Groups, (the SIG-IRG network) should be of continuing utility. The Defense Department is now so organized that it can be much more helpful to you than it was to President Eisenhower, and the intelligence community is somewhat better managed and disciplined. Facing you during the transition will be, principally, the problem of how to make the rest of the foreign affairs establishment more responsive to your needs and wishes.

After elaborating some of the points just mentioned, the body of this memorandum puts forward five broad recommendations:

(1) Strengthen the Secretary of State. We assume that you will be your own Secretary of State in the sense of retaining control over policy. We believe, however, that you will be handicapped in doing so unless you have someone at State who can mobilize and manage the diplomatic corps and related groups with effectiveness comparable to that of the Secretaries of Defense and the Treasury. To this end, we suggest specifically that you

(a) appoint a Secretary and Under Secretary who can work interchangeably;

(b) ensure that the Deputy Under Secretary for Administration and the head of the Secretariat are chosen by and work for this team;

(c) allow the Secretary and Under Secretary a large voice in choosing Assistant Secretaries and a few key ambassadors;

(d) urge the Secretary and Under Secretary to equip themselves with staff assistance comparable to that of the Secretary of Defense; and

(e) seek from the foreign affairs community alternative proposals rather than yes-or-no issues.

(2) Preserve centralized control of the military establishment but take pains to display confidence in military professionals. You will face the difficult problem of reassuring military professionals that their services and advice are valued without at the same time committing yourself to accept their policy recommendations or approve their budget proposals. We suggest that, to meet this problem, you

(a) maintain without major changes the management power of the Office of the Secretary of Defense;

(b) urge the Secretary of Defense to seek cordial relationships with the service chiefs and other military professionals;

(c) acquaint yourself with the military chiefs; and

(d) ensure that your staff has some competence in the defense policy area.

(3) Give the SIC-IRG system a trial before instituting or reinstating other formal consultative machinery.

(4) Equip your staff with better resources. Specifically, we urge that you

(a) organize your staff so that it can cope expertly with the full range of national security issues confronting you;

(b) ensure that your national security affairs staff has some sense of your domestic concerns;

(c) create a small research staff in the Executive Office, working under the Cabinet Secretary, so that your staff can have access to background information and departmental staff work not currently available to the White House;

(d) establish also in the Executive Office or perhaps in the Budget Bureau a program evaluation facility, so that on occasion you can cross-check agency estimates of the effectiveness of programs in their charge; and

(e) adjust the size and strength of your staff to take account of weaknesses in the departments.

(5) Take pains to give your staff and principal agency heads understanding of your wishes. Specifically, we would urge you to bear in mind the costs of always keeping as many options as possible open until the last possible moment, to hold meetings with your staff and otherwise keep them abreast of your thinking, and, within limits, to explain to agency heads your reasons for accepting or rejecting their recommendations.

NATIONAL SECURITY ORGANIZATION

1. Introduction

1. Little that is not self-evident can be said about your needs. Only four points deserve emphasis. First, you can be relatively sure of the departments' putting tomorrow's issues before you but not of their letting you know about problems that

may become critical six months or a year hence. You will need arrangements enabling both agency heads and your staff to identify issues on which you ought to be informed.

Second, you want arrangements that protect your calendar, so that the minutes of your day can go to matters really deserving presidential thought.

Third, you want further protection against having to make the same basic decisions over and over. After you have adopted a policy, you want the bureaucracy to take that policy into account when making recommendations on related matters. This point is worth mentioning only because of the frustration of your predecessors. President Eisenhower, for example, never persuaded the military to remember his concern about the domestic effects of spending. While you will not want departments full of yes-men, you will want some sensitivity to your preferences.

Fourth, you will want your decisions carried out. This obvious point, like the preceding, is worth mentioning only because so many past Presidents have discovered that their express wishes were not translated into action. President Kennedy was embarrassed during the Cuban missile crisis by the presence of American JUPITER missiles in Turkey though he had, in fact, ordered their removal some months earlier, and his order had not been executed.

2. Whatever arrangements are adopted should take account of the fact that no part of the national security apparatus—not even the White House staff or the Budget Bureau—has quite the same interests and perspectives as the President. The Department of Defense, in its nature, regards present and contingent military problems as more important than others, while the Department of State sees diplomatic problems in the same light; and units within each department differ on the kinds of problems and regions of the world that deserve most urgent attention. Recommendations from each are apt to involve its doing what it can do best. Thus, in the Laotian crisis of 1961, the Joint Chiefs advised large-scale use of U.S. ground and air power; the CIA saw a solution in largely clandestine support of one political faction; and groups in the State Department urged negotiation of one kind or another. When representatives of different agencies sit down together, they rarely trade in exchangeable currencies. In the end,

only the President can decide in an important case which military or diplomatic or economic interests outweigh others. Yet the President must expect to receive his advice from, and have his decisions executed by, men who may often believe wholeheartedly that they know better than he what the national interest really is.

The presidential role is further complicated by pressures of time. A sudden event abroad or at home will require a statement or an instruction. Sifting of facts and alternatives has to take place quickly, and some individuals and agencies will respond more efficiently than others. It is for this reason that President Johnson and his staff have come to rely more on Defense than on State for urgently needed information and recommendations.

II. The Apparatus You Will Inherit

3. At present, coordination of national security policy is centralized under a White House Special Assistant. Under President Eisenhower, General Carroll and then General Goodpaster sorted relevant cables and memoranda, selecting those the President needed to see and, to some extent, briefing him on upcoming issues. Goodpaster made arrangements for all interested parties to be represented whenever a Secretary or agency head was to present a recommendation, applying the principle, "each in the presence of all." Cutler, Anderson, and then Gordon Gray shared this work and, in addition, supervised NSC activity. The NSC then had, in addition to departmental representatives, a comparatively large staff of its own. Kennedy transferred all these functions to a Special Assistant. Bundy and then Rostow, with deputies who were practically Special Assistants in their own right (Kaysen, Komer, Bator, etc.), have handled the Goodpaster and Gray tasks and also those of the NSC Planning Board and the Operations Coordinating Board. Aided by a small staff divided among regional desks counterpart to the regional bureaus in State, they have sorted incoming information and advice, reached into departments to obtain additional information and recommendations, and kept check to ensure that real issues were not overlooked and that presidential decisions were being carried out.

4. Since 1966, White House coordination has been complemented by formal interdepartmental consultation through a Senior Interdepartmental Group (SIG) and

Interdepartmental Regional Groups (IRG). The SIG consists of the Deputy Secretary of Defense, the Chairman of the JCS, the President's Special Assistant for National Security Affairs, the heads of CIA, AID, and USIA, and, when appropriate, number-two men from other departments and the Budget Director. The Under Secretary of State is chairman, possessing "full powers of decision . . . , unless a member who does not concur requests the referral of a matter to the decision of the next higher authority." The IRG, headed by regional Assistant Secretaries of State, consist of their counterparts from Defense, the Joint Staff, CIA, AID, and the White House staff. Under them are still lower-level groups led to Country Directors from State.

During its first year or so, the SIG-IRG system seemed a total failure. Quite recently, the picture has changed. Members of a small SIG staff, recruited by Under Secretary Katzenbach, attribute this to an alteration in procedure. The SIG now asks the IRG and lesser groups to define points of disagreement rather than try to work out compromises. This speeds matters along. Not making concessions, departmental representatives below the SIG do not have to seek clearances from other units in their own agencies. Also, the SIG is presented with issues. As a result, the SIG can at least do somewhat more to make clear to the Secretaries and the President what it is that has to be decided.

5. Among executive agencies concerned with national security policy, the most powerful and most effective is the Office of the Secretary of Defense (OSD). McNamara developed to the full the potential power latent in that Office. Some of what he did undoubtedly deserve criticism. In addition to making mistakes in some decisions, he aroused in the services and in Congress hostility which proved costly not only to him but to the Presidents whom he served. Nevertheless, consciousness of faults in McNamara's performance should not blind one to his accomplishments, for a Secretary of Defense can now do what he could never do before. He can advise the President as to what the defense budget will buy and, to a large extent, ensure that the services carry out the President's wishes.

Several innovations contributed to this result. The most important was acquisition by the Secretary of some degree of budgetary control. None of McNamara's predecessors

had been able to do more than set ceilings for each service. Now, a Secretary has the wherewithal to go over service requests item by item and decide rationally which to disapprove and which to recommend to the President. Tools such as systems analysis and program budgeting have helped him to do this. They were especially useful to McNamara in his early days, before the services learned how to adapt the same tools to their own purposes. In the long run, the Secretary achieved and preserved a measure of budgetary control not by gimmickry but by matching and excelling the services in their own area of greatest strength—coordinated, detailed, and deep staff work.

The Office of the Secretary of Defense constituted in McNamara's time a management team. Every Assistant Secretary and other major non-career appointee was someone whom the Secretary trusted. By and large, none carried routine line responsibilities. Each worked directly for the Secretary, answered to him alone, and, when authorized to do so, acted for him. And each understood that his function was to enable the Secretary to understand, evaluate, and pass judgment on defense policy. Whether McNamara used his capabilities wisely or not is, of course, open to dispute. Whatever the case, teamwork, with all members of the team sharing common objectives, made him the most effective manager of bureaucracy that our government has ever seen.

The part of the team equipping the Secretary of Defense to deal with broad issues of national security policy has been the Office of International Security Affairs (ISA), under an Assistant Secretary of Defense. It makes use of relevant organizations within the services and also recruits for its own staff one hundred, or so of their best and most experienced officers. In addition, it contains another one hundred or so civilians in career or appointive posts, representing regional and functional expertise easily equal to that in the upper reaches of State or CIA. When even these resources are insufficient, it calls on RAND, the Institute of Defense Analyses, and other outside bodies. The mixed military-civilian group in ISA has so far retained consistent high quality. Owing to its smallness and flexibility, internal fighting has remained minimal. Above all, it has been close enough to the Secretary so that its representatives have

characteristically spoken with more authority than their counterparts on interdepartmental committees.*

6. CIA remains comparatively efficient. Since several other groups are preparing detailed studies of its organization and operations, we note here merely that it possesses some of the ablest and most thoughtful foreign area experts within the government and that your various advisers, when preparing recommendations for you, need to be able to take into account its special operating capabilities.

7. The State Department has remained ineffectual as compared with Defense, CIA, or, in its sphere of interest, the Treasury. Dulles never tried to master the department. If Rusk has tried, his effort has failed. As a result, the weaknesses of State in both advisory and operating roles will constitute an immediate problem for your administration. Some visible weaknesses are the following:

(a) The flow of written matter within the department is stupefying. Daily cable traffic alone exceeds in wordage all that carried by all newspaper wire services. Most officers stationed in the department occupy their time drafting responses to cables or reading responses drafted by others in order to make sure that outgoing communications are as nearly consistent with one another as possible. Important drafts are submitted to Assistant Secretaries. The most important drafts go then to the Secretary or one or more of his aides. The major departmental function falling to the Secretary therefore is to approve, amend, or disapprove these drafts.

*Signs have begun to appear recently of a slight decline in the power of ISA and the Office of the Secretary of Defense. Indications are that ISA representatives now do not dominate interdepartmental committees so often as in the mid-1960's. One reason undoubtedly is the hostility of the services toward the Secretary. Another is recognition in other parts of the government of the estrangement between Defense and the White House which was a factor in McNamara's departure. Probably, however, another factor is a basic change in the terms of interdepartmental trade. Concern over the danger of new Vietnams, expressed in Congress not only by "doves" but also, recently, by Russell, Symington, and Stennis, has reduced the potential political appeal of the kinds of arguments that Pentagon representatives are best equipped to advance. The relative success of the SIG-IRG system probably bears witness to this change.

(b) The volume of traffic and pressures of time are such that the top officials seldom receive explanations of the background or significance of what they are asked to endorse. They do not have leisure to make independent inquiries. Since interbureau clearance tends to produce compromises, the Secretary and his aides often will not learn of disagreements at lower levels. They act, to be sure, as final monitors, and bring to their reading of draft cables a broader view than that possessed by others, but what they can do, important though it may be, is limited.

(c) The Secretary and his aides have relatively little power of initiative. They can issue general directives—e.g., the United States should avoid the appearance of supporting Argentina's military regime against its domestic opponents. They are not equipped and could not be equipped to compose day to day instructions effectuating this purpose. They can merely try to note whether communications from and to the country team depart from this general principle. Past attempts to supply the top level of the department with resources for exercising initiative have produced little result. The Policy Planning Council and bodies such as the Deputy Under Secretary's Politico-Military Affairs staff are helpful chiefly if individuals within them share the job of scrutinizing cables.

(d) The Secretary of State has relatively little leverage within his department. Unlike the Secretary of Defense, the Secretary of State has not found a means of compelling career officials to explain and justify their recommendations. Members of his department are less concerned than the armed services with budget shares. The total budget is small. While the Secretary can increase or reduce requests presented to Congress, he has almost no power to decide that funds should go to AID or USIA instead of the diplomatic service. He has only minimal influence over matters of personal concern to members of the Foreign Service—promotions, assignments, and perquisites. Even that influence is less than it might be, because custom has given members of the House Appropriations Committee a voice in choosing the Deputy Under Secretary for Administration. Thus the presidential appointee who sits over the Director General of the Foreign Service and the Foreign Service Inspection Corps is only partially answerable to the Secretary.

To be sure, the apparent chain of command in the department runs from the Secretary through Assistant Secretaries or other Bureau chiefs. With only the rarest exceptions, however, the latter cannot function unless they identify themselves with the regional or functional units over which they preside. They make it their mission to secure the Secretary's OK on cables prepared or cleared by their subordinates. The Secretary's single powerful source of leverage remains therefore his ability to amend or disapprove cable drafts daily shovelled at him.

III. Recommendations

8. Strengthen the Secretary of State. For a President to be his own Secretary of State no longer means, as in the days of Roosevelt and Hull, that he needs a weak or submissive man heading the State Department. On the contrary, with the Pentagon, CIA, and the Treasury as strong as they now are, the President will acquire more opportunity to exercise policy choices if he has a man heading State who can take a forceful part in debate. The President can also devote more time to policy-making if sure that someone outside the White House can make the diplomatic, aid, and information bureaucracies execute presidential decisions. We believe that it will be advantageous to you to make the Secretary of State much stronger, especially as a departmental manager. Accordingly, we would urge you to take the following steps:

(a) Appoint a Secretary and Under Secretary who can work interchangeably. In State more than any other agency, the two top men must be interchangeable. Because of international conferences as well as obligations to Congress, the Secretary is often absent. It would seem imperative that the man acting for him be someone whom he is willing to trust as his alter ego. Yet, strangely, this condition has obtained only once in the past quarter century—when Marshall was Secretary and Lovett Under Secretary. No other measure will strengthen the Secretary vis-a-vis the department unless he and the Under Secretary have complete confidence in one another's judgments, possess virtually identical understanding of what the President's policies require, and, perhaps most important of all, agree as to what the Secretary's functions ought to be.

(b) Ensure that the Deputy Under Secretary for Administration and the head of the Secretariat are chosen by and work for the Secretary and Under Secretary. Even if they can work closely together, your Secretary and Under Secretary of State will need management aides. One, crucial to their control of the department, is the Deputy Under Secretary for Administration. At present, this official is in part the choice of members of the House Appropriations Committee. Foreign Service officers oppose this custom and advocate that, as was once the case, he be a career man. To us it seems of great importance that he be neither a congressional nor a Foreign Service nominee but instead that he be chosen by, and be exclusively responsible to, the Secretary and Under Secretary. One consequence, to be sure, would be increased strain on the Secretary, for he would have to spend more time on Capitol Hill, defending the department's budget. Probably, he would be unable to obtain from the House some funds for missions abroad which are now granted simply on the certification of a Deputy Under Secretary trusted by key Congressmen. But we believe that these costs would be relatively minor compared with the potential gains. The Secretary would gain much more freedom to effect organizational changes. He would also acquire greater control over assignments, promotions, perquisites, and other sources of influence over the career service.

The Secretariat, which is at present a servant of the Secretary, should remain so.

(c) Give the Secretary and Under Secretary a voice in choosing Assistant Secretaries and a few key Ambassadors. Obviously you will not want to relinquish all responsibility for choosing Assistant Secretaries and Ambassadors. On the other hand, you will not want to reproduce the situation that existed in 1961, when many holders of such posts regarded the President as their immediate supervisor.

At present, the department's roster includes a second Under Secretary, a Deputy Under Secretary for Political Affairs, and, in addition to the head of the Secretariat, thirteen other Assistant Secretaries or equivalents. Given the way the department works, the key figures are the five Assistant Secretaries in charge of regional bureaus (Europe, the Far East, the Near East and South Asia, Inter-American Affairs, and Africa—in that order), plus the head of Economic Affairs. The second Under Secretary and the Deputy Under Secretary for Political Affairs (the latter customarily a Foreign

Service officer) have not, as a rule, had clearly defined function. The remaining Assistant Secretaries or equivalents (the Counselor, the Legal Adviser, and the men heading up Congressional Relations, Intelligence and Research, Public Affairs, Scientific Affairs, Cultural Affairs, and International Organization Affairs) have usually not played key roles.

If your Secretary and Under Secretary are to gain management control of the department, they will need to have men responsible to them heading the regional bureaus and Economic Affairs. This will be particularly necessary if the SIG-IRG system is preserved. In addition, they should control the second Under Secretaryship and Deputy Under Secretaryship so that they may redefine both and use them as posts for key staff assistants. Perhaps they will also need the Legal Adviser in order to make freer use of the noncareer talent that flows from law firms into that office. The remaining Assistant Secretaries or equivalents would not need to be equally close to the Secretary and Under Secretary if the organization of the department remains unchanged. In fact, however, the other bureaus do not have to be headed by men of such high rank. The relevant legislation empowers the Secretary to "prescribe duties for the Assistant Secretaries . . . and . . . make changes and transfers . . . when, in his judgment, it becomes necessary." We would recommend that some lesser bureaus be placed at least temporarily under men below the rank of Assistant Secretary while your appointees take time to consider the organizational arrangements that will work best for them.

Proposals for the key Assistant Secretaryships could, of course, come from your staff or any other source. Ultimately, you have to make the decisions and send recommendations to Congress. We would urge, however, that the selection process not consist of nominations from the White House subject to veto by the Secretary and Under Secretary, for, whatever the actual process, those chosen should not be simply men with whom the Secretary and Under Secretary feel satisfied but men in whom they repose a high degree of confidence.

As for ambassadorships, only a few will be really important to your State Department team. We feel that you should give the Secretary and Under Secretary a large

voice in choosing those who will represent you in Moscow, Paris, Bonn, London, Tokyo, New Delhi, and Warsaw, if it continues to be the point of contact with Red China. They should also have some say with regard to the major international organization posts, the UN, NATO, and the OAS, and potential trouble points. Saigon is a clear case. Others are Seoul, Taipei, Bangkok, Karachi, Teheran, Baghdad, Tel Aviv, Cairo, Athens, Belgrade, Bucharest, Prague, Madrid, Johannesburg, Rio, and Buenos Aires. There are doubtless a few others about which your Secretary and Under Secretary ought to be consulted. Most remaining ninety-odd embassies, however, could be used by you to reward political supporters or to gratify the Foreign Service, without harm to the ability of your Secretary and Under Secretary to manage their department effectively for you.

We recognize, of course, the immediate costs to you of following our recommendation. Second-level posts in State and major embassies are among the most coveted prizes in the gift of a new President. You will disappoint some friends and supporters if you turn aside their claims in favor of appointees more agreeable to your Secretary and Under Secretary. You will give up a certain amount of your potential ability to satisfy or conciliate congressional and other blocs particularly interested in certain areas or policies. And you may well feel that, in doing so, you are ceding some of your potential leverage within the Department of State.

We would not argue that you should pay these costs were we not convinced that the benefits to you would outweigh them. We believe that you can score more net gain in public and congressional support, even in the short term, by establishing mastery over the State Department than by gratifying immediate wishes of office seekers and pressure groups. We believe equally that you can achieve such mastery only if you install a powerful managerial team in the Department. And we would add that, if past experience is a guide, you could not attain the same end by putting your own men into key posts in the department hierarchy, for, like Roosevelt and Kennedy, you would soon find most of them to be neither your agents nor the Secretary of State's but rather spokesmen for the bureaucratic interests they had taken in charge.

To offset loss of patronage at the top level, you might well make a larger number of political appointments at secondary embassies. This, too, would have its costs, for

Foreign Service morale would be hurt, and you would encounter criticism from friends of the Foreign Service, especially in the Eastern Establishment. We are persuaded, however, that Foreign Service professionals do not necessarily make the best ambassadors. There are obvious exceptions, such as Martin in Buenos Aires and Thompson in Moscow. But, since embassy staffs are dominated by Foreign Service officers, the points of view of the professionals will be influential in any case. Well-qualified non-professionals can ensure that other perspectives are represented.

(d) Urge your Secretary and Under Secretary of State to equip themselves with adequate staff. As the State Department is now organized, most second-level men are relatively independent of the Secretary. Each Assistant Secretary and Bureau Director manages a cluster of country desks. Undoubtedly, this grouping of desks is necessary. Some filter must exist between the country director or division chief and the Secretary. Undoubtedly, too, the men so placed must be politically responsible. The regional Assistant Secretary of State, it has been said, is the first man who can commit the United States. But, as line rather than staff officers, Assistant Secretaries carry to the Secretary recommendations formulated within their bureaus. They argue for adoption of these recommendations. They do not give detached advice about pros and cons. And this is likely to remain true, even if the Secretary and Under Secretary have a large hand in choosing the regional Assistant Secretaries.

The Secretary and Under Secretary must therefore acquire assistance in understanding and evaluating recommendations from the bureaus. How they should arrange for such assistance presents complex questions probably requiring some trial-and-error experimentation. By redefining the second Under Secretaryship and the Deputy Under Secretaryship for Political Affairs, they could provide themselves with two high-level aides. They could also redefine some existing Assistant Secretaryships or equivalents so that these posts did not involve heading up bureaus. Men so situated might work as high-level staff for the Secretary. Not handling any category of business as a matter of routine, they could deal with problems which the Secretary assigned them. The Office of Politico-Military Affairs, currently under the Deputy Under Secretary for Political Affairs, provides a nucleus for a staff that could serve the Secretary as ISA serves the Secretary of Defense. The Secretary and Under Secretary would

have to make a systematic effort to add to it a small number of the very best career men to be found in the bureaus and in AID, ACDA, CIA, and the military services.

9. Preserve centralized civilian control of the military establishment but take pains to display confidence in military professionals. Relations with the military establishment present delicate and difficult problems. Senior officers in all the services feel that during recent years their professional judgment has been ignored or overridden. They are resentful of the extent to which the civilian Secretary of Defense has acquired control over budgetary decisions and has become, in fact as well as by statute, the President's principal adviser on military matters. They command much sympathy in Congress and elsewhere.

As President, you will, on the one hand, want the assistance and cooperation of the professional military and the benefit of their wisdom on matters within their competence. On the other hand, you will not want to be bound by their judgment of military requirements, for you must keep spending within some bounds. Neither will you want to give the military a determining voice in policy. During the transition and afterward, you will need means of accomplishing three objectives which are hard to reconcile: to meet the legitimate desire of the military to be consulted about matters involving the national security; to maintain at the same time firm budgetary and policy control; and, insofar as possible, to prevent the military from appealing against you to their powerful friends on the Hill. As possible means of achieving these ends, we suggest the following.

(a) Maintain without major changes the management power of the Office of the Secretary of Defense. Without a Secretary of Defense possessing a full panoply of management tools, you will be unable to discover the objectives of defense expenditures and to appraise the relative merits of service proposals. You could well find yourself doing the work now done by the Defense Secretary. Like President Eisenhower, you might have to adjudicate even petty disputes among the services, ferret out their log-rolling, and stand as the principal target for public and congressional criticism of defense policy decisions. Only a Secretary of Defense equipped for intensive analysis of research, development, procurement, planning, and deployment issues will be able to identify for you the problems deserving your attention and the alternatives open to you.

We would recommend that in Defense, as in State, second-level appointments be made with a view to giving the Secretary a team he can trust. Because the travel schedule of the Secretary of Defense is less demanding, he need not have a Deputy Secretary who can act as alter ego. He does, however, need a Deputy to whom he can confidently delegate large responsibilities. He also needs men who he can regard as staff aides in at least seven of the department's nine Assistant Secretaryships or equivalents.

Though we believe that your Secretary-designate should probably reduce the relatively swollen civilian staff now attached to his Office, we would advise against arbitrary personnel ceilings. We would also advise against dismantling the two largest organizations now under the Secretary, the Defense Intelligence Agency and the Defense Supply Agency. The former is of great value in enabling the Secretary and his aides to match the services in staff work on policy issues. The latter effects savings in money.

The service Secretaries and other civilians in the service departments perform important administrative duties. Rarely, however, do they have much to do with either policy issues or budgets.

(b) Urge the Secretary of Defense to seek cordial relationships with the service chiefs and other military professionals. Some resentments among the uniformed services are simply products of tactless and insensitive behavior on the part of civilians. We believe that much ill-feeling would dissolve if your Secretary and his aides take pains simply to indicate respect for the uniformed services and the dedicated and experienced men who lead them. Among other things, they could meet more frequently, informally as well as formally, with the Joint Chiefs and senior staff officers. They could spend more time both listening to military recommendations and explaining their decisions or yours. They could avoid forcing unwanted decisions on the services when the policy or budgetary consequences are minimal (as was the case in the early McNamara effort to unify military education). Equally, they could exercise some judgment such as was not displayed in the TFX case, as to whether marginal savings are not better achieved by enlisting enthusiastic cooperation from the services than by imposing civilian judgment.

(c) Acquaint yourself with the military chiefs. It is widely believed that in recent years the chiefs of staff have been denied access to the President. The facts probably are exactly the reverse. Members of Johnson's staff tell us that the Chairman and service chiefs obtain appointments relatively easily and sometimes without the fact being known to the Secretary of Defense or even to the President's Special Assistant for National Security Affairs. It was President Eisenhower who had it made law that a civilian Secretary should be his principal military adviser and who made it a private rule not to see members of the JCS except in the presence of the Secretary and, where appropriate, all other interested parties.

We believe that President Eisenhower's practice had great merit, and would have had even more if his Defense Secretaries had been better equipped to perform the role he desired them to perform. Though you will, of course, want to give the Chairman and individual service chiefs a hearing when they request it, you will not want them to consider you a court of appeal against your Secretary of Defense. Neither will you want to give the professional military—any more than the professional foreign service—an impression that they are entitled to a voice in policy equal to that of your high-level appointees. At the same time, you will want to do something to counteract any impression that the professional military are denied adequate hearing.

We would suggest the following moves. First, we would urge that you find several early occasions to see all the Joint Chiefs, in company with the Defense Secretary. Such sessions would not only demonstrate your interest in their views but would also enable you to get to know better the three chiefs (Army, Navy, and Marine Corps) whose terms run beyond the transition period. Second, you could take an active part, along with your Secretary of Defense, in considering replacements for the two members of the JCS whose terms expire during 1969, the Chairman and the Air Force Chief of Staff. Third, you could make a point of occasionally joining your Defense Secretary for a briefing given in the Pentagon by the Joint Staff. Fourth, you could indicate your own interest in and respect for the military profession by visiting the National War College and, if possible, some of the service War Colleges and academies. If appropriately handled by your press secretary, these relatively simple steps could affect not only opinion within the services but public and congressional opinion as well.

(d) Ensure that your staff has some competence in the defense policy area.

Though we recommend that you have a strong Secretary of Defense, we feel that your staff should have some ability to cross-check his recommendations, for, in seeking harmony within the Pentagon, he may well accept budgetary or other compromises which you would be reluctant to endorse. We would not urge that, for this purpose, you place a senior military man on your staff. The precedent of Maxwell Taylor suggests how difficult it may be for even a retired senior officer to see issues from the President's rather than the Pentagon's point of view. Nor would we urge that you equip yourself for elaborate staff review of defense policy. You would lose thereby many of the advantages of having a strong Secretary of Defense. But at least one man on your White House staff should know the ins and outs of the Pentagon, or at least be able to exploit defense policy expertise in the Budget Bureau, well enough to explore for you opinions within the service staffs and the Joint Staff about issues on which you must pass final judgment. One advantage to you of taking careful interest in the appointment of a new Chairman is that a good man in that post could be an excellent point of contact for your staff.

10. Give the SIG-IRG system a trial before reinstating NSC or other formal consultative machinery; rely on ad hoc groups to deal with issues not suitable for SIG-IRG processing. Aware of the Bay of Pigs and the faulty handling of Vietnam and recognizing also the weaknesses of the State Department, you may feel a strong temptation to restore the more comprehensive and seemingly more orderly NSC-Planning Board-OCB structure that Kennedy dismantled. We recommend that you not do so at least during the early months of your administration. One reason is that it would be easier for you to take such action later than to do away with a formal structure, if you set it up soon after taking office and then decided that it did not work satisfactorily. A more important reason is that we believe you will find it, in practice, more satisfactory to let the SIG-IRG network serve as your basic instrument for interdepartmental coordination.

At the country desk level, the SIG-IRG system standardizes a kind of exchange which is going to take place anyway. The Pakistan specialists, for example, in State, Defense, CIA, AID, and USIA would maintain contact in any case. More efficiently

than the NSC Planning Board, and without an extra layer of staff, the SIG-IRG format makes it difficult for any clique among specialists to disregard an important minority view. It also lays on one State Department man the responsibility for reporting differences of view to those at the next higher level. To an extent, the same is true for the IRG's and the SIG itself.

Obviously, interdepartmental consultation must occur outside this system. Some issues do not lend themselves to country-by-country or even region-by-region handling. Balance of payments is an example. Other issues may be distorted if so handled, especially if the core problem is not what to do in a given place but whether doing anything at all may lead to diversion of resources more needed elsewhere. And really hot issues will inevitably be handled by principals rather than deputies.

We believe, however, that your interests would be best served by dealing with such matters not through an additional formal apparatus but through temporary ad hoc committees. The advantages we see are the following. First, ad hoc committees will be your creations. They will exist only because you want some work done. They will not, like NSC committees of the 1950's, be making work for you. Second, they can be small, and composed only of people essential to business in hand. There need not be present, as on NSC committees, representatives with irrelevant interests to espouse. Third, they can sometimes accomplish their mission without the press getting word even of their existence. Fixed committees, on the other hand, always have reporters near at hand. Finally, they will come into being whether you authorize them or not, for in fixed committees, certain members will always caucus. You and your staff will get more feed-in and have more control over policy-making; we believe, if your primary reliance is on the SIG-IRG system and, outside it, on informal consultation and small ad hoc committees with specific mandates.

11. Equip your staff with better resources for appraising agency recommendations. We deal with a number of related issues in a separate memorandum, "Staffing the White House." Here we wish to suggest specifically that you:

(a) Organize your staff so that it can cope expertly with the full range of national security issues confronting you. The design of your White House will depend on your

interests and work habits and individual qualities of your staffers. It is difficult therefore for us to suggest anything more than very broad guidelines.

Having already urged that you not reinstitute elaborate formal machinery, we should caution here against the other extreme—concentration of the coordinating function under a single Special Assistant. In fact, neither Bundy nor Rostow ever monopolized this function. Not only was each under some obligation to cross-check with other Special Assistants, such as Sorenson, Moyers, and Califano, but each had to delegate large responsibilities to deputies. In October, 1962, Bundy dealt with nothing except the Cuban missile crisis. All other national security business was handled directly for the President by Kaysen. Later, Bator dealt with European and international economic affairs, simply keeping Bundy and Rostow informed of what he was doing.

If you follow the Kennedy-Johnson precedent, you will have one Special Assistant as, in effect, chief of staff for national security affairs, with others holding the title of Deputy Special Assistant. This has both the advantages and the drawbacks, elaborated in our other memorandum, of any -chief-of-staff system. Alternatively, you could divide the national security portfolio among two or more Special Assistants.

In either case but especially in the latter, you should take two precautions. First, you should ensure that no Special Assistant is handling primarily the business of one department, for he could too easily turn into a departmental spokesman. Despite need for military expertise somewhere on your staff, we believe it would be a mistake to have a man dealing only with military affairs. Equally, it would be undesirable to have a man only for economic affairs. Second, you should ensure that each man's assignment is relatively well-defined. Otherwise, they could get in each other's way. Worse still, departmental officials could turn to one rather than another, depending on their judgment of which would be more helpful to them.

Within your White House national security team, however organized, certain competencies will have to be represented. Not only will someone have to know the inner workings of the military establishment; someone will also have to possess mastery of international economic issues; someone should further have intimate under-

standing of the intelligence community. Though no member of your staff needs to be a regional expert, all those dealing with national security affairs should have in their backgrounds experience or education enabling them quickly to become skeptical judges of assessments offered by diplomats and regional experts from State, CIA, and ISA.

How many specialties will have to be represented in the national security team depends on the total composition of the White House Staff. You and your Special Assistants can draw on the Council of Economic Advisers and the Science Advisory Council. You might find it advisable to appoint an intelligence aide who would not serve as a Special Assistant but who would be able to speak on the relative capabilities of elements within the intelligence community.

Your national security aides will, and must, have staff assistance of their own. A small group, consisting mostly of regional experts, now works under Rostow. We believe that your Special Assistant(s) should have a similar group, supplemented by the small research staff proposed below. The reasons are three. First, your Special Assistant(s) will need to sit astride an immense volume of cable traffic. The White House Situation Room receives information copies of all important State, Defense, and CIA communications. It is desirable that this flow continue. Otherwise, your staff might not receive advance warning of crises or complicated issues, and you would have many fewer opportunities for timely presidential intervention. But men working directly for you will not be able to sift this mass of paper. Others will have to select what they must read so that they can select what you must read. Second, your Special Assistant(s) must not have to depend on departmental representatives to explain contexts and technicalities of issues. On any important matter, they should be able to acquire almost as much knowledge as the operating specialist. Third, your Special Assistant(s) can use aides taken from the departments to inform them about internal politics within their former agencies and to provide contacts with informants at middle and lower levels of the bureaucracy.

(b) Ensure that your national security affairs staff has some sense of your domestic concerns. One weakness in the present system, as in President Eisenhower's NSC organization, is that domestic aspects of national security issues are apt to be

overlooked. The President himself has to bring them into the picture in the final stage of decision. Under pressure of time, especially if all national security agencies and the Special Assistant are in concurrence, even the President may not do so. Such was the case with President Johnson's decision to initiate bombing in North Vietnam. Almost all the civilians around him recommended the measure as a temporary expedient, the purpose being to elicit from Hanoi signals of willingness to move toward tacitly agreed mutual de-escalation. No one lingered long enough on the domestic problems that would be involved in cutting back the bombing if such signals actually came, or if they did not.

In Kennedy's time, after several early mistakes, cooperation among Bundy, Sorenson, and the Budget Bureau Director helped to bridge this gap. If you have in the White House someone who completely understands your mind and your congressional and other political concerns, you could partially protect yourself by having him keep in close touch with your national security Assistant or Assistants. There is danger, however, of his becoming a bottleneck, as Sorenson sometimes did.

(c) Establish in the executive office a small research staff. In the past, new Presidents and presidential staffs have always been at a temporary disadvantage in the national security area because of their relative lack of information as compared with departments and executive agencies. Department and agency heads inherit permanent staffs and, in most cases, well-organized files, including the results of past in-house and contract research. New men entering the White House by contrast can call at most on the few civil servants remaining with the NSC and on the few records and studies which the Budget Bureau possesses. They have, in regard to national security problems nothing comparable to the files regarding legislation preserved by the Budget Bureau's Legislative Reference Service. On many current issues, they cannot even look up back papers for most have been crated for the outgoing President's archives.

Remedying this deficiency would be sufficiently demanding to require, at least at the outset, a staff assistant not only with energy and imagination but also with understanding of your interests and needs. To provide him with requisite status, we would suggest that he have the title, Secretary to the Cabinet, and perform in addition the not very onerous duties of that post.

Though an Executive Office research staff need not itself be large or costly, it must be able to use for your purposes and those of your White House staff the vast resources of the departments. Its head should have free access to those resources. He should define what he wants to include in a central register of records and studies. He will then have to identify all subagencies that must be tapped for information. (Units within Defense, for example, make a practice of keeping from other units knowledge of staff reports or contract studies prepared for them; your research chief would therefore have to demand direct responses at least from each service chief, the Director of the Joint Staff, and the Office of the Secretary of Defense.) Third, your research chief should spot-audit reports submitted. Though costs in money and manpower to the departments would run high and the pain to departments of yielding up their secrets to a presidential representative would run even higher, the results for you should justify the expense and the ordeal. You could effect significant savings by becoming able to warn departments of overlapping or repetitive research activity. More important still, your assistants should be enabled to enter meetings with departmental spokesmen measurably better equipped to ask the right questions and to appraise the answers given.

Obviously, the time of your Special Assistants is too valuable for much of it to be spent poring over long papers or studies extracted from departments by means of a central register. Most often, quick briefings would have to suffice. Given the urgency for action usually present, these briefings would, moreover, have to be prepared on short notice. This means that an Executive Office staff would have to include men who maintained familiarity with the materials on which the briefings would be based.

We suggest that the research staff be made up of twelve to fifteen permanent people and outside consultants. The total number in the national security area should be roughly equal to the staff handling current national security affairs for your Special Assistant(s) and Deputy Special Assistants. The more the two staffs are counterpart, the more efficiently the research staff could be used. Had it been in existence in the mid-1960's, for example, it could have included a Southeast Asian specialist. Whether a career man, an academic commuting on some regular basis, or a man based at RAND or some similar place, he would have been familiar with past Defense, State,

CIA, and other files and studies relating to the area. He could have worked in tandem with Michael Forrestal, Bundy's man for current Southeast Asian affairs. Neither Bundy nor the President would have suffered any loss of time, and briefings that originated with Forrestal could have taken account of at least some of the by-then-forgotten thinking which had taken place during the Truman and Eisenhower administrations.

(d) Establish in the Executive Office a program evaluation group. The basic problem is easily stated. At present, the President gets most of his information about the effectiveness of programs from the agencies carrying them out. The military provide the only appraisals of how effectively military operations have been conducted in Vietnam. To be sure, the Budget Bureau performs some evaluation. Normally, however, it is in terms of effective use of funds. You need, in addition, some group to audit for you programs in which you take special interest. Whether such a group should be part of the Budget Bureau or separate from it, you could best judge after assessing the Bureau's current capabilities and appointing a new Director. Presumably, such a group would limit its reviews to a relatively few vital programs. Its size and composition would depend on the missions you decided to assign it.

(e) Adjust the size and strength of your White House staff to take account of weaknesses in departments. The more you find it possible to reinforce the Secretary of State and preserve the power of the Secretary of Defense, the more your staff can confine itself to your business. If your Secretary of State cannot achieve effective control over his department, men working for you will have to keep a much closer eye on cable traffic. As at present, they will often have to alert the Secretary of State as well as the President to matters requiring high-level attention, and they will necessarily take a larger hand in cable-drafting. They will also have to keep closer watch over the SIG-IRG network, perhaps even posting observers at the country desk level. And they will take on more operational assignments, including some outside the country, like Bundy's in Santo Domingo or Komer's in Vietnam.

Similarly, weakness in the Defense Department would call for strength in the White House. You would need on your staff or accessible in the Executive Office specialists able to analyze in detail the long-term budgetary implications of weapons system

choices, the relative merits of competing weapons, and the adequacy of actual and planned deployments to meet foreseeable contingencies.

We do not dwell on such requirements, for it is our view that your interests would be better served by strong departments. Realizing that your judgment may run in the other direction regarding one department or another, we merely urge here that, if so, you take into account the probable need to compensate by reinforcing the White House.

12. Take pains to give your staff and principal agency heads understanding of your wishes, preferences, and inclinations. The stress in most recommendations concerning national security organization falls on means by which decision-makers can obtain information and advice. We have been equally concerned in this memorandum with the problem of how you get your government to execute the decisions you make. As we read the history of the Presidency in the last quarter-century, it contains many fewer examples of decisions unsoundly based than of decisions misinterpreted, misunderstood, or accidentally or deliberately not carried out.

The organizational arrangements recommended earlier should enable you to have diplomatic and military establishments potentially more responsive to your wishes and a staff better equipped to see that this potential is realized. No arrangements will work effectively, however, unless you see to it that they do. At the risk of seeming presumptuous, we conclude this memorandum with some suggestions as to how you may provide leadership within your administration.

First of all, we feel that you would be well advised not to adhere too closely to the often-stated rule that a President should keep as many options as possible open for as long a time as he can. Your immediate predecessors had this rule urged upon them, with the example of FDR cited in support. They applied it, we believe, to excess. By maintaining till the last moment an impression that they might choose any one of a number of courses, they encouraged the build-up of bureaucratic lobbies. Some lobbies that might have withered away, if discouraged early, acquired such strength and determination and such support in Congress and the press as to remain active despite the decisions finally made. The "bombing pause" lobby is one recent example. The lobby advocating a multilateral nuclear force is another from a slightly

earlier period. We recognize, of course, that a President will usually refrain from committing himself until he has to. All we counsel is that you bear in mind the possible costs of committing yourself too late.

As you are in process of making up your mind, you would be well advised to communicate as clearly as possible to your staff exactly what direction your thought is taking. The staff exists to help you and to represent you. If its members do not know your mind, they could easily waste time analyzing the pros and cons of a course of action which you already know you will not adopt. Equally easily, they could fail to analyse adequately courses of action toward which you were inclined, with the result possibly of failing to call to your attention unsuspected perils. And they could lose opportunities to steer the departmental bureaucracies toward recommendations in line with your fundamental purposes. We believe that you should, insofar as possible, take your staff into your confidence.

Though recognizing the truth of Vice-President Dawes' observation, "The members of the Cabinet are a President's natural enemies," we also believe that you would gain by being more candid than were Kennedy and Johnson in your dealings with agency heads. Excessive reticence can weaken rather than strengthen the President's position. Some interdepartmental and intradepartmental bickering over Vietnam could have been curbed had Johnson disclosed to his Secretaries of State and Defense his own reasons for such moves as the Johns Hopkins speech, the 37-day bombing pause, the Honolulu meeting with Ky, and the partial bombing suspension of last March 31.

In recommending that you be more open with your department heads, we are not urging a new departure but rather a return to past practice. The custom of a President's writing out for cabinet officers the reasons for his decisions was followed by most Presidents prior to Andrew Jackson and, more recently, by Theodore Roosevelt and Woodrow Wilson.

It would be unrealistic to urge you to imitate Theodore Roosevelt and Wilson. Your schedule will be too crowded to permit such letter-writing. Moreover, with cabinet officers' staffs as large as they are and copying machines everywhere, written communications cannot be kept secure. We do urge, however, that you try to give

your principal agency heads oral explanations of your more important decisions. You are much more likely thus to obtain their cooperation even when your decisions and the reasons for them are not to their liking. When Wilson was President and William Jennings Bryan Secretary of State, the two did not see eye to eye about issues rising out of World War I, and Wilson overruled Bryan time after time. By candidly explaining his decisions, the President succeeded in postponing Bryan's resignation until a time when it was less politically harmful. He also succeeded throughout in having the actions of the Secretary conform to his wishes:

Also, it will be useful to you to articulate some of the reasons for decisions you reach. The great statesmen of nineteenth century Europe—Metternich, Castlereagh, Palmerston, Bismarck, Salisbury—all had to write out explanations of their actions because they were responsible to monarchs. You face a similar necessity, of course, in having to respond to press conference questions and deliver messages to Congress and the public, but, in statements which all the world can hear, you can seldom be as explicit and as candid as you might be in camera. And for the next four years you have as great a stake in winning understanding among the managers of your bureaucracy as among the electorate.

BOURKE B. HICKENLOOPER, CHAIRMAN
MARGARET CHASE SMITH
MILTON R. YOUNG
EVERETT MC KIMLEY DIRKSEN
THOMAS N. KUCHEL
GEORGE MURPHY
FRANK CARLSON
NORRIS COTTON
THRUSTON B. MORTON
GEORGE D. AIKEN
WALLACE F. BENNETT
PETER H. DOMINICK
JACOB K. JAVITS
KARL E. MUNDY
JOHN J. WILLIAMS

FRED B. RHODES, JR.
SECRETARY AND STAFF DIRECTOR

File
United States Senate

REPUBLICAN POLICY COMMITTEE

December 5, 1968

Copies to:
Walter French
Mr. Mitchell
✓ Haldeeman

Office of President-elect Richard M. Nixon
450 Park Avenue
New York, New York 10022

Attention: Mr. C. C. Knudsen

Dear Mr. Knudsen:

Regarding your conversation with Mr. LaPlante as to presidential authority relative to appointment or designation of Chairmen and Vice Chairmen of the selected Bipartisan Boards and Commissions of the U. S. Government, the Legislative Reference Service, Library of Congress, reviewed all statutory requirements concerning each Board and Commission, and passed along the following information which I understand Mr. LaPlante relayed verbally to your associate, Darrell Trent.

The gist of the information is as follows:

Of the 23 selected Boards and Commissions listed there is no statutory authority granting the President the right to replace or name the present Chairmen for the following 6 Boards:

1. Commodity Credit Corporation Advisory Board *No tenure*
2. Export-Import Bank of Washington *Vacant*
3. Federal Deposit Insurance Corporation *3/9/70*
4. Interstate Commerce Commission *Members name Chm.*
5. National Mediation Board *Members name Chm.*
6. St. Lawrence Seaway Development Corporation *No tenure*

Advisory Board

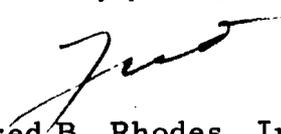
In the case of the remaining 17 Boards and Commissions a review of the Code indicates that the President shall designate the Chairman in each instance. Of this 17 the President designates the Chairman and Vice Chairman of the Civil Aeronautics Board and the U. S. Tariff Commission annually.

Mr. C. C. Knudsen
December 5, 1968
Page 2

The remaining 15 Boards and Commissions Chairmen are subject to presidential designation of Chairmen and Vice Chairmen without stipulation as to when or how often. In all cases the incoming President may select the Chairman and Vice Chairman whether or not they follow the usual practice of submitting their resignation of chairmanship. This change in chairmanship may be done without regard to the individual's tenure of appointment. In other words, if there is a Chairman whose term does not expire until 1971, he still may be replaced as Chairman but would remain on the Board or Commission as a member until the expiration of his term.

I hope that this information will prove useful to you. If we can be of further assistance please call upon us.

Sincerely yours,



Fred B. Rhodes, Jr.
Secretary and Staff Director
Republican Policy Committee

BIPARTISAN BOARDS AND COMMISSIONS

Membership And Home State

Political Party Affiliation

Salaries And Appointment Dates

Lengths Of Term Of Office

When Appointment Expires

Existing Vacancies

**Staff Report of the
U. S. Senate Republican Policy Committee
Senator Bourke B. Hickenlooper, Chairman
Fred B. Rhodes, Jr., Staff Director**

March 18, 1968

*Updated to November 26, 1968,
by telephone conf. Bryon LaPlante
ECK*

This study represents an updating
by the Legislative Reference Service,
Library of Congress, of earlier com-
pilations of information on bipartisan
boards and commissions which had
been prepared and issued from time
to time by the staff of the Senate
Republican Policy Committee.

SELECTED BIPARTISAN BOARDS AND COMMISSIONS OF THE
UNITED STATES GOVERNMENT

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CIVIL AERONAUTICS BOARD

<u>Name of Person Holding Office</u>	<u>Party and State</u>	<u>Annual Salary</u>	<u>Date of Taking Office</u>	<u>Length of Term of Office</u>	<u>Date Tenure Expires</u>
Crooker, John H., Jr. (Chairman)	D., Texas <i>Church, expires 11-31-68</i>	\$29,500 <i>11-31-68</i>	3/11/68	6 years*	12/31/ 68 74
Murphy, Robert T. (Vice Chairman)	D., R.I. <i>12-31-68 Expires Vice Chmn</i>	\$28,750	3/15/61	6 years	12/31/72
Minetti, G. Joseph	D., N. Y.	\$28,750	6/11/56	6 years	12/31/73
Gilliland, Whitney	R., Iowa	\$28,750	11/16/59	6 years	12/31/71
Adams, John G.	R., S. Dak.	\$28,750	4/30/65	6 years	12/31/70

*Filling out unexpired term of Charles S. Murphy, resigned.

The Civil Aeronautics Board is an independent agency composed of five members, appointed by the President with the consent of the Senate. The President annually designates one member as chairman, and another as vice chairman. The Board was established June 30, 1940, pursuant to Reorganization Plans III and IV.

In general, the Board performs three chief functions: (1) regulation of the economic aspects of U. S. air carrier operations, both domestic and international; (2) investigation and analysis of aircraft accidents; (3) cooperation and assistance in the establishment and development of international air transportation.

Not more than three members of the Board may belong to the same political party.

CIVIL SERVICE COMMISSION

<u>Name of Person Holding Office</u>	<u>Party and State</u>	<u>Annual Salary</u>	<u>Date of Taking Office</u>	<u>Length of Term of Office**</u>	<u>Date Tenure Expires</u>
Macy, John W., Jr. (Chairman)	D., Conn. <i>Resigning</i>	\$29,500	3/6/61*	6 years	3/1/71
Andolsek, L. J. (Vice Chairman)	D., Minn.	\$28,750	4/30/63	6 years	3/1/69
Hampton, Robert E.	R., Md.	\$28,750	7/25/61	6 years	3/1/62 73

*Appointed to serve unexpired term of commissioner ending March 1, 1965, and designated Chairman; reappointed for 6-year term ending March 1, 1971, and designated Chairman.

**Terms for definite tenure were established under title II, Public Law 854 (84th Congress, second session). Previously, appointments were for indefinite tenure at the pleasure of the President.

The Commission was established in 1883 to administer the Federal Service.

Principal activities of the Commission are to:

1. Provide for examinations on fitness of applicants for positions in the competitive service and to establish qualifications for such positions.
2. Provide, in response to requests, registers of available personnel to the various Government agencies.
3. Administer the Veterans' Preference Act of 1944.
4. Conduct investigations of persons relative to enforcement of civil service laws, and for security purposes.

5. Administer, through the International Organizations Employees Loyalty Board, statutory provisions relating to loyalty of United States employees at the United Nations.

6. Administer the Classification Act of 1949.

7. Administer statutory provisions relating to political activity by Federal employees.

8. Administer the Civil Service Retirement Act, and the Federal Employees' Group Life Insurance Act of 1954.

9. Provide general legal services relative to the Voting Rights Act of 1965.

Not more than two members of the Commission may be members of the same political party. The President designates both the Chairman and the Vice Chairman. All three Commissioners are appointed by the President with the consent of the Senate.

In connection with its duties, the bipartisan Commission is required by Executive Order to appoint members of another board which acts within the Civil Service Commission -- the International Organizations Employees Loyalty Board.

Members of the International Organizations Employees Loyalty Board serve under indefinite appointments and receive a per diem allowance for each day actually employed, plus any travel allowances.

The Chairman of the International Organization Employees Loyalty Board is Howard C. Bolton.

COMMODITY CREDIT CORPORATION ADVISORY BOARD

<u>Name of Person Holding Office</u>	<u>Party and State</u>	<u>Annual Salary</u>	<u>Date of Taking Office</u>	<u>Length of Term of Office</u>	<u>Date Tenure Expires</u>
Smith, Leroy K. (Chairman)	D., Colo.	\$50 per diem	11/20/61	At pleas- ure of President	Indefinite
Lewis, Charles D.	D., Va.	\$50 per diem	11/20/61	At pleas- ure of President	Indefinite
Milton, Lorimer D.	R., Ga.	\$50 per diem	11/20/61	At pleas- ure of President	Indefinite
Reed, Frank W.	D., Nebr.	\$50 per diem	2/1/64	At pleas- ure of President	Indefinite
White, J. P., Jr.	R., N. M.	\$50 per diem	11/20/61	At pleas- ure of President	Indefinite

This Board was constituted pursuant to section 9 (b) of the Commodity Credit Corporation Charter Act, as amended (P. L. 806, 80th Congress, P. L. 85, 81st Congress). The Board meets at least once every ninety days to survey and advise the Secretary on the general policies of the Commodity Credit Corporation. Not more than three members may belong to the same political party. All are appointed by the President alone.

Members are paid \$50 per diem plus traveling expenses when actually employed.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

<u>Name of Person Holding Office</u>	<u>Party and State</u>	<u>Annual Salary</u>	<u>Date of Taking Office</u>	<u>Length of Term of Office</u>	<u>Date Tenure Expires</u>
Alexander, Clifford L. (Chairman)	D., N. Y.	\$28,750	8/4/67	5 years	7/1/72
Holcomb, Luther (Vice Chairman)	D., Texas	\$28,000	6/1/65	4 years*	7/1/69
Jackson, Samuel G.	R., Kans.	\$28,000	6/1/65	3 years*	7/1/68
Brown, William H. III	R.I.	28,000	10/29/68	3 years	7/1/73
Ximenes, Vincent T.	D., N. M.	\$28,000	6/9/67	5 years	7/1/71
Kuck, Elizabeth J.	R., Ill.	\$28,000		5 years*	7/1/70

Established by act of July 2, 1964 (Public Law 88-352), the Commission is charged with the enforcement of the fair employment practices section of the Civil Rights Act of 1964. It investigates complaints of discrimination by employers, labor unions, and employment agencies because of race, creed, color, or sex in violation of the Act.

The Members are appointed by the President with the consent of the Senate. Not more than three of them may be of the same party.

*Successors shall be appointed for terms of 5 years each, except that any individual chosen to fill a vacancy shall be appointed only for the unexpired term of the member whom he shall succeed.

EXPORT-IMPORT BANK OF WASHINGTON

Board of Directors

<u>Name of Person Holding Office</u>	<u>Party and State</u>	<u>Annual Salary</u>	<u>Date of Taking Office</u>	<u>Length of Term of Office</u>	<u>Date Tenure Expires</u>
Linder, Harold F. (Chairman)	D., N. Y. <i>Resigned</i>	\$29,500	3/21/61	Indefinite	At pleasure of President
Sauer, Walter C. (Vice Chairman)	D. C., no political affiliation	\$28,750	9/28/62	Indefinite	At pleasure of President
May, Elizabeth S.	R., Mass.	\$28,750	6/17/64	Indefinite	At pleasure of President
Lilley, Tom	R., W. Va.	\$28,750	10/26/65	Indefinite	At pleasure of President

^{Two} One vacancy exists as of 11-26-68. 3/6/68.

The purpose of the Export-Import Bank is to aid in financing, and to facilitate exports and imports and the exchange of commodities between the United States and foreign countries. Its policy is to supplement and not compete with private capital, with loans to be for specific purposes and offering reasonable assurance of repayment. The Bank is authorized to have a capital stock of \$1 billion and may borrow from the Treasury on its own obligations up to not more than \$6 billion outstanding at any one time.

The Bank was authorized in 1934 as a banking corporation under the laws of the District of Columbia. It was made a bipartisan independent agency in 1945, and reincorporated in 1947 under Federal charter. The Board ceased to be bipartisan in 1953 under Reorganization Plan 5; however, in 1954 under Public Law 570 its bipartisan status was reestablished in a five-man Board of Directors. Not more than three members of the Board may be of the same political party. All of them are appointed by the President with the consent of the Senate.

FEDERAL COMMUNICATIONS COMMISSION

<u>Name of Person Holding Office</u>	<u>Party and State</u>	<u>Annual Salary</u>	<u>Date of Taking Office</u>	<u>Length of Term of Office</u>	<u>Date Tenure Expires</u>
Hyde, Rosel H. (Chairman)	R., Idaho	\$29,500	4/17/46	7 years	6/30/69
Lee, Robert E.	R., D. C.	\$28,750	10/6/53	7 years	6/30/74
Johnson, Nicholas	D., Texas	\$28,750	7/1/66	7 years	6/30/73
Loevinger, Lee	D., Minn.	\$28,750	6/11/63	7 years	6/30/68
Cox, Kenneth A.	D., Wash.	\$28,750	3/26/63	7 years	6/30/70
Bartley, Robert T.	D., Texas	\$28,750	3/6/52	7 years	6/30/72
Wadsworth, James J.	R., N. Y.	\$28,750	5/5/65	7 years	6/30/71
Lee, H. Rex	D Idaho	28,750	6/30/63?	7 years	6/30/75

Created by the Communications Act of 1934 to regulate interstate and foreign commerce in communication by wire and radio so as to make available to the people of the United States a rapid, efficient, nationwide and worldwide wire and radio communication service, the Commission polices the industry as a part of its duties. A primary purpose is the more effective use of radio, television, and wire communications in the public interest.

Members are appointed by the President, subject to confirmation by the Senate. Not more than four Commissioners may be members of the same political party. The President designates the Chairman.

FEDERAL DEPOSIT INSURANCE CORPORATION

Board of Directors

<u>Name of Person Holding Office</u>	<u>Party and State</u>	<u>Annual Salary</u>	<u>Date of Taking Office</u>	<u>Length of Term of Office</u>	<u>Date Tenure Expires</u>
Randall, Kenneth A. (Chairman)	R., Utah	\$28,750	3/10/64	6 years	3/9/70
Camp, William B. (Comptroller of the Currency) (ex officio)	D., Texas	\$29,500	2/1/67	5 years	1/31/72
Sprague, Irvine H.	D. Colo	29,500	Sept 68	6 yrs	Sept 74

There is ^{no} one vacancy, with respect to a 6-year term ending 3/3/72.

The Federal Deposit Insurance Corporation was organized under authority of Section 12B of the Federal Reserve Act as amended and reorganized in September 1950 under a separate Federal Deposit Insurance Act.

The Corporation insures the deposits of all banks entitled to benefits of such insurance under the law. In this capacity, the Corporation pays off depositors of insured banks which close down; acts as a receiver for national banks placed in receiverships and for State banks when appointed for such tasks by the States. The Corporation also can make loans or purchase assets in order to prevent closing of an insured bank or to reopen a closed insured bank.

Two of the board of three members are appointed by the President for terms of six years, by and with the consent of the Senate. The third member, under the law, is the Comptroller of the Currency. Not more than two members of the board may belong to the same political party. A chairman is elected from the two members appointed by the President.

FEDERAL HOME LOAN BANK BOARD

<u>Name of Person Holding Office</u>	<u>Party and State</u>	<u>Annual Salary</u>	<u>Date of Taking Office</u>	<u>Length of Term of Office</u>	<u>Date Tenure Expires</u>
Horne, John E. (Chairman)	D., Ala.	\$29,500 <i>Resigning</i>	8/8/63*	4 years	6/30/71
Greenebaum, Michael	D., Ill.	\$28,750	4/1/65	4 years	6/30/69
Rand, Robert L. <i>Acting Chmn</i>	R., Calif.	\$28,750 <i>29,500</i>	10/10/66	4 years	6/30/70

~~*Renominated, confirmed (6/5/67), and continues in office for a second 4-year term.~~

One vacancy exists as of 11-26-68.

The Federal Home Loan Bank Board was created as a constituent agency of the Housing and Home Finance Agency by the President's Reorganization Plan 3 of 1947. It assumed the functions of the previous Federal Home Loan Bank Board, the Board of Directors of the Home Owners' Loan Corporation, and the Board of Trustees of the Federal Savings and Loan Insurance Corporation. As a result of the housing amendments of 1955 (P. L. 345, August 11, 1955), the Board was changed from a constituent agency to an independent agency (including the Federal Savings and Loan Insurance Corporation).

The three members of the Board are appointed by the President with the consent of the Senate. The President designates a Chairman. Not more than two of its members may belong to the same political party.

The basic functions of the Board are (1) to provide, through the medium of twelve regional Federal Home Loan Banks, reserve credit for member savings and home-financing institutions; (2) to direct the operations of the Federal Savings and Loan Insurance Corporation, which insures the accounts of each saver or investor in its member institutions; and (3) to charter and regulate Federal savings and loan associations.

FEDERAL MARITIME COMMISSION

<u>Name of Person Holding Office</u>	<u>Party and State</u>	<u>Annual Salary</u>	<u>Date of Taking Office</u>	<u>Length of Term of Office</u>	<u>Date Tenure Expires</u>
Harlee, John, Rear Adm., USN, Ret. (Chairman)	D., D. C.	\$29,500	7/20/65	5 years* from 7/1/65	6/30/70
Barrett, Ashton C.	D., Miss.	\$28,750	9/6/63	4 years from 7/1/63	6/30/72
Hearn, George Henry (Vice Chairman)	D., N. Y.	\$28,750	5 c. 17/68 7/22/64	4 years from 7/1/64	6/30/68 73
Day, James V.	R., Maine	\$28,750	7/20/65	4 years* from 7/1/65	6/30/69
Fanseen, James F. Vice Chmn.	R., Md.	\$28,750	4/19/67	5 years* from 7/1/66	6/30/71.

*As provided by Public Law 89-56 (June 30, 1965).

The Commission, successor in part to the Federal Maritime Board, was established by Reorganization Plan No. 7 of 1961 to administer the functions and discharge the regulatory authorities under the Shipping Act of 1916, the Merchant Marine Act of 1920, the Inter-coastal Shipping Act of 1933, and the Merchant Marine Act of 1936.

Its general functions include: (1) regulation of services, practices, and agreements of common carriers by water and other persons engaged in foreign commerce of the United States, (2) consideration of tariff filings of common carriers engaged in foreign commerce; (3) regulation of rates, fares, and practices of common water carriers in off-shore trade of the United States; (4) investigation of discriminatory rates and practices in waterborne off-shore commerce; and (5) rendering decisions, issuing orders, and making rules and regulations governing common carriers by water, terminal operators, freight forwarders, and other persons subject to the shipping statutes.

The five Commissioners are appointed by the President with the consent of the Senate. From "time to time" the President is empowered to designate one of the Commissioners to be Chairman.

FEDERAL POWER COMMISSION

<u>Name of Person Holding Office</u>	<u>Party and State</u>	<u>Annual Salary</u>	<u>Date of Taking Office</u>	<u>Length of Term of Office</u>	<u>Date Tenure Expires</u>
White, Lee C. (Chairman)	D., Nebr	\$29,500	3/2/66	5 years	6/22/70
O'Connor, Lawrence J., Jr.	D., Texas	\$28,750	8/14/61	5 years	6/22/71
Ross, Charles R.	R., Vt.	\$28,750	9/29/61	5 years	6/22/69
Bagge, Carl E.	R., Ill.	\$28,750	6/27/65	5 years	6/22/72
Carver, John A., Jr.	D., Idaho	\$28,750	9/13/66	5 years	6/22/68
Brooke, A. B. Jr.	R. Ky	28750	10/16/68	Recess	6/22/69

The Commission was organized as an independent agency in its present form by the act approved June 23, 1930. The Commission originally was created in 1920 under the Federal Water Power Act.

The Commission licenses hydroelectric projects on Government lands or on navigable waters; maintains jurisdiction over the transmission and sale at wholesale of electric energy in interstate commerce and public utilities engaged therein; administers the Natural Gas Act of 1938; and has certain functions relating to the transmission of electric energy between the United States and foreign countries.

The President names the five-member Commission, subject to confirmation by the Senate, and designates the Chairman. A Vice Chairman is chosen by the members of the Commission. Not more than three members of the Commission may be members of the same political party.

FEDERAL TRADE COMMISSION

<u>Name of Person Holding Office</u>	<u>Party and State</u>	<u>Annual Salary</u>	<u>Date of Taking Office</u>	<u>Length of Term of Office</u>	<u>Date Tenure Expires</u>
Dixon, Paul Rand (Chairman)	D., Tenn.	\$29,500	3/21/61	7 years	9/25/72
Elman, Philip	Ind., Md.	\$28,750	4/21/61	7 years	9/25/70
MacIntyre, A. Everette	D., N. C.	\$28,750	^{Sept/68} 9/26/61	7 years	9/25/ 75
Nicholson, James M.	D., Ind.	\$28,750	1/5/68	7 years	9/25/69
Jones, Mary Gardiner	R., N. Y.	\$28,750	10/17/64	7 years	9/25/73

The Commission was created originally under the Federal Trade Commission Act of 1914 to prevent price-fixing agreements, boycotts, and other unfair methods of competition. Since that date its functions have been broadened to cover false advertising, and other unfair and deceptive business practices.

The five-member board is appointed by the President by and with the consent of the Senate. Under a 1950 change in the law, the President also names the Chairman. Not more than three of the Commission's five members may be of the same political party.

The primary purposes of the Commission are (1) to promote free and fair competition in interstate trade through prevention of price restraints, unlawful price discrimination, etc.; (2) to safeguard life and health of consuming public by prevention of false advertisements of drugs, cosmetics, devices, etc.; and (3) to make available to the Congress, the President, and the public, factual data concerning economic and business conditions.

FOREIGN CLAIMS SETTLEMENT COMMISSION

<u>Name of Person Holding Office</u>	<u>Party and State</u>	<u>Annual Salary</u>	<u>Date of Taking Office</u>	<u>Length of Term of Office</u>	<u>Date Tenure Expires</u>
Jaffe, Theodore	D., R. I.	\$28,000	3/29/61	3 years	10/22/68
Friedberg, Sydney	D. NY	28000	6/24/68	3 yrs	10/22/71
Sutton, Leonard	D. Colo	28000	4/1/68	1 yr +	10/22/69

~~Two vacancies exist as of 3/6/68.~~

The Commission was created by Reorganization Plan No. 1 of 1954. Its three members are appointed by the President with the advice and consent of the Senate, and serve 3-year terms.

The basic function of the Commission is to determine claims of United States nationals against foreign governments sustained under the International Claims Settlement Act of the War Claims Act of 1948.

INDIAN CLAIMS COMMISSION

<u>Name of Person Holding Office</u>	<u>Party and State</u>	<u>Annual Salary</u>	<u>Date of Taking Office</u>	<u>Length of Term of Office</u>	<u>Date Tenure Expires</u>
Holt, William M.	R., Nebr.	\$28,000	4/10/47	Indefinite	*
McKeldin, Theodore	R. Md.	28,000	11/21/68	Recess	* Indef
Seott, T. Harold	D., Colo.	\$28,000	7/1/60	Indefinite	*
Pierce, Margaret H.	R. W. DC	28,000	10/16/68	Indef	*
Vance, John T. Chairman	D., Mont.	\$28,000	12/19/67	Indefinite	*
Yarborough Richard Y.	D., Texas	\$28,000	12/28/67	Indefinite	*
Kuykendall, Jerome K.	R., Va.	\$28,000	12/19/67	Indefinite	*

* See explanation below

~~No chairman has as yet been named.~~

The Commission was created by act of August 31, 1946, to hear and determine claims against the United States by any Indian tribe, band, or other identifiable group of American Indians resident in the United States.

Public Law 90-9, signed by President Johnson on April 10, 1967, stipulated that there shall be five Commissioners, appointed by the President, by and with the advice and consent of the Senate. At least three Commissioners should be members of the bar of the Supreme Court of the United States. No more than three Commissioners are to be of the same political party.

The new law provides that the Commission shall make its final report to Congress and shall terminate before April 10, 1972.

INTERSTATE COMMERCE COMMISSION

<u>Name of Person Holding Office</u>	<u>Party and State</u>	<u>Annual Salary</u>	<u>Date of Taking Office</u>	<u>Length of Term of Office</u>	<u>Date Tenure Expires</u>
Tierney, Paul J. (Chairman)	R., Md.	\$29,500	3/29/63	7 years	12/31/69
Brown, Virginia Mae (Vice Chairman) <i>Will be Chmn in 1969.</i>	D., W. Va.	\$28,750	5/25/64	7 years	12/31/70
Tuggle, Kenneth H.	R., Ky.	\$28,750	2/20/62	7 years	12/31/68
Murphy, Robert L.	D., Ga.	\$28,750	4/14/65	7 years	12/31/71
Walrath, Laurence K.	D., Fla.	\$28,750	4/6/64	7 years	12/31/70
Bush, John W.	D., Ohio	\$28,750	4/14/65	7 years	12/31/71
Deason, Willard	D., Texas	\$28,750	1/1/66	7 years	12/31/72
Hardin, Dale	R., Ill.	\$28,750	7/31/67	7 years	12/31/72
Stafford, George M.	R., Kans.	\$28,750	4/26/67	7 years	12/31/73
Burke, Wallace R.	D. Conn	28750	7/21/68	7 yrs	12/31/74

Two vacancies exist as of 3/6/68.
one

The eleven members of the Commission are appointed by the President, subject to Senate confirmation. The Commission names its own Chairman and Vice Chairman. Not more than six members of the Commission may belong to the same political party.

The Commission was created as an independent agency under an act of February 4, 1887. Subsequent legislation has strengthened and broadened its authority.

The Commission regulates motor carriers; water carriers and freight forwarders; prescribes rates, charges, regulations, and practices to be observed by carriers, etc.; may require common carriers to establish joint rates, etc.; authorizes carriers to issue securities; prescribes safety regulations, etc.

NATIONAL MEDIATION BOARD

<u>Name of Person Holding Office</u>	<u>Party and State</u>	<u>Annual Salary</u>	<u>Date of Taking Office</u>	<u>Length of Term of Office</u>	<u>Date Tenure Expires</u>
Gamser, Howard G. (Chairman)	D., N. Y.	^{27,000} \$28,500	3/11/63	3 years	7/1/69
O'Neill, Francis A., Jr.	R., N. Y.	\$27,000	¹⁹⁶⁸ 4/1/47	3 years	7/1/68 7/
Edwards, Leverett Chairman	D., Okla.	^{28,500} \$27,000	4/21/50	3 years	7/1/70

The Board was created by an act to amend the Railway Labor Act approved June 21, 1934. The members are appointed by the President with the consent of the Senate. The Board annually designates its own Chairman. Not more than two members may belong to the same political party.

Principal duties of the Board are to mediate differences between the railroads, the express and Pullman companies, and the airlines on one hand and the employees on the other, in such fields as working agreements, rates of pay, rules, etc. Also, the Board is charged with determining representation disputes among employees.

NATIONAL TRANSPORTATION SAFETY BOARD

<u>Name of Person Holding Office</u>	<u>Party and State</u>	<u>Annual Salary</u>	<u>Date of Taking Office</u>	<u>Length of Term of Office</u>	<u>Date Tenure Expires</u>
O, Connell, Joseph J., Jr. (Chairman)	D., Md.	\$29,500	4/1/67	3 years*	12/31/69
Laurel, Oscar M.	D., Texas	\$28,750	4/1/67	5 years*	12/31/71
Reed, John H.	R., Maine	\$28,750	4/1/67	4 years*	12/31/70
Thayer, Louis M., Rear Adm., USCG (Ret.)	Ind., Fla.	\$28,750	4/1/67	¹⁹⁶⁸ 5 years*	12/31/68 73
McAdams, Francis H.	D., D. C.	\$28,750	4/1/67	5 years*	12/31/72

* Original members were appointed for terms of 1, 2, 3, 4, and 5 years. Francis H. McAdams served the 1-year term, and was reappointed to a 5-year term. All subsequent appointments will be for 5-year terms.

The National Transportation Safety Board was established by Public Law 89-670 (October 15, 1966). It is composed of five members, appointed by the President, by and with the advice and consent of the Senate, who serve for terms of 5 years each. No more than three members are to be of the same political party.

The Board is an independent, autonomous body which reports annually and directly to Congress. It is charged with reviewing safety measures in all fields of transportation. It may investigate and make determinations of cause in transportation accidents, and it may review on appeal the suspension, amendment, modification, revocation, or denial of any certificate or license issued by the Secretary of Transportation or by any Administrator of any agency under him. Its primary concern is accident prevention and encouragement of safety measures in all forms of transportation.

SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION --
ADVISORY BOARD

<u>Name of Person Holding Office</u>	<u>Party and State</u>	<u>Annual Salary*</u>	<u>Date of Taking Office</u>	<u>Length of Term of Office</u>	<u>Date Tenure Expires</u>
Brockel, H. C.	R., Wis.	\$50 per diem	8/19/54	Indefinite	At pleasure of President
Lloyd, Kenneth M.	D., Ohio	\$50 per diem	8/19/54	Indefinite	At pleasure of President
McMahon, Thomas P.	D., N. Y.	\$50 per diem	9/7/61	Indefinite	At pleasure of President
Oettershagen, Martin W.	D., Ill.	\$50 per diem	5/24/62	Indefinite	At pleasure of President
McKee, Miles F.	Ind., Mich.	\$50 per diem	9/21/66	Indefinite	At pleasure of President

*Members are paid \$50 per diem when actually employed.

Established under the act creating the Saint Lawrence Seaway Development Corporation, the Advisory Board is required to meet not less than once each ninety days, for the purpose of reviewing the general policies of the Corporation, including its policies in connection with the design and construction of facilities and the establishment of rules of measurement for vessels and cargo and rates of charges or tolls.

The Board is composed of five members appointed by the President, with the consent of the Senate. Not more than three members shall belong to the same political party.

SECURITIES AND EXCHANGE COMMISSION

<u>Name of Person Holding Office</u>	<u>Party and State</u>	<u>Annual Salary</u>	<u>Date of Taking Office</u>	<u>Length of Term of Office</u>	<u>Date Tenure Expires</u>
Cohen, Manuel F. (Chairman)	D., Md.	\$29,500	¹⁹⁶⁸ 10/11/61	5 years	6/5/ 68 73
Owens, Hugh F.	D., Okla.	\$28,750	3/23/64	5 years	6/5/70
Budge, Hamer H.	R., Idaho	\$28,750	7/8/64	5 years	6/5/69
Wheat, Francis M.	D., Calif.	\$28,750	10/2/64	5 years	6/5/71
Smith, Richard B.	R., N. Y.	\$28,750	5/1/67	5 years	7/5/72

The Securities and Exchange Commission was created under the Securities Exchange Act of 1934. The members are appointed by the President with the consent of the Senate. The President also designates the Chairman. Not more than three members may belong to the same political party.

The Commission is a quasi-judicial agency. Principal purpose of the Commission is to protect the public and investors against malpractices in the securities and financial markets. The Commission regulates trading in securities; enforces sanctions against companies and persons guilty of securities frauds and/or manipulations; oversees mergers, consolidations, etc., of public utilities holding companies; supervises activities of investment companies, etc.

SUBVERSIVE ACTIVITIES CONTROL BOARD

<u>Name of Person Holding Office</u>	<u>Party and State</u>	<u>Annual Salary</u>	<u>Date of Taking Office</u>	<u>Length of Term of Office</u>	<u>Date Tenure Expires</u>
Mahan, John W. (Chairman)	D., Mont.	\$28,000	10/11/65	5 years	3/4/70
McHugh, Simon F.	D., D. C.	\$28,000	7/17/67	5 years	7/16/72
Sells, Leonard L.	D., Va.	\$28,000	7/7/64	5 years	8/9/69
Patterson, John S.	R., Ill.	\$28,000	9/22/66	5 years	8/9/71

There is one vacancy, with respect to a 5-year term ending 8/9/70.

The Board was established by the Subversive Activities Control Act of 1950. The five members of the Board are appointed by the President with the consent of the Senate. The Chairman is designated by the President. Not more than three may be members of the same political party. Under Public Law 254, approved August 5, 1955, the tenure of office of members of the Board was extended from 3 to 5 years.

The Board, upon application by the Attorney General or any organization or individual covered by the act, determines whether such organization is a "Communist-action," or a "Communist-front," organization within the meaning of the act. Public Law 90-237 provides that, after appropriate hearing, the Board shall publish in the Federal Register its determination that an organization is a "Communist-front" or "Communist-action."

UNITED STATES ADVISORY COMMISSION ON INFORMATION

<u>Name of Person Holding Office</u>	<u>Party and State</u>	<u>Annual Salary</u>	<u>Date of Taking Office</u>	<u>Length of Term of Office</u>	<u>Date Tenure Expires</u>
Stanton, Frank, Dr. (Chairman)	Ind., N. Y.	*	1/28/64	3 years	1/27/71
Novik, M. S.	D., N. Y.	*	1/28/65	3 years	1/27/71
Hoyt, Palmer	R., Colo.	*	1/28/65	3 years	1/27/71
Larmon, Sigurd S.	R., N. Y.	*	1/28/63	3 years	1/27/69
Vail, Thomas	D., Ohio	*	3/--/67	3 years	1/27/70

*No compensation; travel and per diem of \$16.00 for attendance at meetings.

This Commission was established under Public Law 402 of the 80th Congress. Its primary function was to advise the Secretary of State in quarterly reports and the Congress in semiannual reports on the effectiveness and policy effects of the Voice of America, and the press and motion picture foreign educational programs; in recent years, however, its first duty has been to recommend to the Director of the U. S. Information Agency policies and programs relative to international information activities.

Members are appointed by the President with the consent of the Senate. The President designates the Chairman. Not more than three members may belong to the same political party.

UNITED STATES COURT OF MILITARY APPEALS

<u>Name of Person Holding Office</u>	<u>Party and State</u>	<u>Annual Salary</u>	<u>Date of Taking Office</u>	<u>Length of Term of Office</u>	<u>Date Tenure Expires</u>
Quinn, Robert E. (Chief Judge)	D., R. I.	\$33,000	5/22/51	15 years	5/1/81
Ferguson, Homer	R., Mich.	\$33,000	4/9/56	15 years	5/1/71
Kilday, Paul J.	D., Texas	\$33,000	9/25/61	15 years	5/1/76
Art. App. J. S. Soder	D., Tex.	33,000	11/13/60	15 years	5/1/76
Dandev, Wm H.	D. Ga.	33,000	11/13/60	Recess	5/1/76

The Court was established pursuant to an act approved May 5, 1950, for the purpose of reviewing courts-martial. The act provides that the Court be located for administrative purposes in the Department of Defense.

The Court reviews the record in all cases in which the sentence, as affirmed by a board of review, affects a general or flag officer, or extends to death, and all cases forwarded for review by the Judge Advocates General of the Armed Services and by the General Counsel of the Treasury Department acting for the Coast Guard, or cases in which a review is granted upon petition.

The three judges are appointed from civilian life by the President, with the consent of the Senate., for 15-year terms, with each Judge eligible for reappointment. Not more than two of the Judges may be members of the same political party. The President from time to time designates the Chief Judge.

UNITED STATES CUSTOMS COURT

<u>Name of Person Holding Office</u>	<u>Party and State</u>	<u>Annual Salary</u>	<u>Date of Taking Office</u>	<u>Length of Term of Office</u>	<u>Date Tenure Expires</u>
Rao, Paul P. (Chief Judge)	D., N. Y.	\$30,000	1948	Good behavior	---
Beckworth, Lindley G.	D., Texas	\$30,000	1967	Good behavior	---
Rosenstein, Samuel	D., Ky	30,000	1968	Good behavior	---
Ford, Morgan	R., N. Dak.	\$30,000	1949	Good behavior	---
Richardson, Scovel	R., Mo.	\$30,000	1957	Good behavior	---
Landis, Frederick	R., Ind.	\$30,000	1966	Good behavior	---
Watson, James L.	D., N. Y.	\$30,000	1966	Good behavior	---
Maletz, Herman-M;	D., Va.	\$30,000	1967	Good behavior	---
Re, Edward	D. NY	30,000	1968	(Not yet sworn in 11-26-68)	---

Two vacancies as of 3/6/68.
One

The U. S. Customs Court was created originally in 1890 as the Board of United States General Appraisers and received its present name in 1926. It is not to be confused with the U. S. Court of Customs and Patent Appeals.

The Customs Court has exclusive jurisdiction over civil actions arising under the tariff laws, the internal revenue laws relating to imported merchandise, the several customs simplification acts, the proclamations of the President issued under reciprocal trade agreements, and other proclamations imposing taxes or quotas on imported goods. It reviews appraisals of imported merchandise, including Customs Bureau orders on rates of duty, exclusion of merchandise, and liquidation of entries.

The nine Judges are named by the President and confirmed by the Senate. The President designates one as Chief Judge. Not more than five Judges may be appointed from the same political party.

UNITED STATES TARIFF COMMISSION

<u>Name of Person Holding Office</u>	<u>Party and State</u>	<u>Annual Salary</u>	<u>Date of Taking Office</u>	<u>Length of Term of Office</u>	<u>Date Tenure Expires</u>
Metzger, Stanley G. (Chairman)	D., D.C.	\$28,750	7/9/67	6 years	6/16/73
Sutton, Glenn W. (Vice Chairman)	D., Ga.	\$28,000	9/1/54	6 years	6/16/72
Gulliton, James W.	Ind., Ind.	\$28,000	12/5/62	6 years	6/16/68
Leonard, Will E.	D. La.	28000	10/29/68	Unexp. Term	6/16/69
Thunberg, Penelope H.	Ind., Md.	\$28,000	8/3/65	6 years	6/16/70
Clubb, Bruce E.	R., Va.	\$28,000	7/3/67	6 years	6/16/71
Newsom, Hershel D.	R., Ind.	28000	9/29/68	6 years	6/16/74

~~One vacancy as of 3/6/68.~~

The Commission was created in 1916 and its power added to by the Tariff Act of 1922, particularly with relation to administration of the "flexible tariff" and "unfair practices in import trade." The Tariff Act of 1930 added further powers, designating the Commission to conduct investigations to determine whether imports were interfering with the agricultural programs undertaken by the Government.

Primary duty of the Commission is to investigate and report upon tariff and foreign trade matters and to furnish, on request, such information to the President, either branch of the Congress, the House Ways and Means Committee, and the Senate Finance Committee.

The six members are appointed by the President with the consent of the Senate. Not more than three members may belong to the same political party. The Chairman and Vice Chairman are designated annually by the President.

MEMO TO BOB HALDEMAN

From Buchanan

December 19, 1968

Attached is the memo I drafted on the basis of the discussions yesterday on the Make-up of the Presidential Staff, and its operation. What you described may very well have been what RN's wants, and perhaps it is best. But before the thing finally congeals that way, I would trust that RN would give a quick reading to the new book, *The President's Men*. To me, the structure seems to be geometric and workable on paper, but in reality I don't think it's going to fly. Anyhow, I wanted to give you the benefit of all of the concerns that arise with me, and some of these I would imagine are shared by others.

Buchanan

December 20, 1968

DETERMINED TO BE AN
ADMINISTRATIVE MARKING

E.O. 12065, Section 6-702

By Emprise NRS, Date 1-30-80

~~CONFIDENTIAL~~

MEMO TO:

Bob Haldeman

FROM:

Buchanan

I have given considerable thought over the last day to the organizational structure of the staff, as you outlined, and, unless you left a portion of it out, I don't think it will work to the benefit of the President.

First. You, as I understand, are to sit astride all incoming paper, to read it and to pass final judgement on it. This will tend to be a rather inhibiting factor if we wanted to criticize to the President some element of your own operation, which is really an all-embrasive as of now. Suppose the press operation is breaking down, and the press is grumbling about it; suppose special assistants are being flooded with calls about the ineptitude of the appointments operation; suppose there are complaints about "nobody getting to see the President" and the complaints are reaching a point where it is damaging the Administration; suppose someone wants to demand a restructure of the staff. Some of these things the President should judge for himself on the basis on "privileged" input. I am not denigrating your objectivity. In my experience you have always passed things on, where I have felt they "ought" to go in. But the presence itself of a single screen or censor of sorts induces a self-imposed

censorship on the writer. Everybody writing memos is going to tailor them to take into consideration the fact that "your Administrative Boss is watching you."

I don't think this a wise arrangement and a bit further on I will mention a few organizational reforms which I think will eliminate what could be a continuing problem--in the quality of the paper the President receives.

Secondly, you have in effect told staff that any "end runs," especially to the President, would mean "it's been nice knowing you in the White House."

It seems to me unrealistic frankly to attempt to block all end runs. They are a part of human nature they represent the oldest play in American politics; on many, many occasions they have resulted in short-circuiting a foolish decision or recommending a brilliant idea.

Even JFK recognized that Bundy and Schlesinger and O'Brien and Sorenson could not be expected to go, hat-in-hand, to Kenny O'Donnell, outside the door, everytime they wanted to see the President. So Kennedy deliberately collaborated in their use of Mrs. Lincoln's entrance into the Oval Room, and some grievous staff problems were prevented.

What Kennedy did was to "institutionalize" the end run. As RN is not the type who likes to "chat" with staffers, etc., and

our staff is more effective with the written than the spoken word, I would suggest the creation of a Dissenters Pipeline to the President, a secure pouch in which the staff could get to the President "for his eyes only" real concerns on their mind, whether within or without the White House. The fact that it existed would be an ongoing boost to staff morale; it would not even have to be used regularly. And should it become clogged or heavy with traffic, the President should himself instruct X staffer to tend to his knitting, etc. If you talk with Bryce you will find that Eisenhower had a different arrangement yet with the same motive. To provide automatically 15 minutes with the President to any staffer who requested it, but the staff had damn site have something significant to say.

Third. The injunction that anything regarding urban affairs or anything regarding national security be cleared first with Moynihan or Kissinger in effect makes them czars of information in these areas, and it provides simply too much power in their hands without a check but maybe I didn't get this correctly.

I agree with the need to coordinate the material before the President, to get all proposals, and their pros and cons before him at the same time. But if you leave all coordination in the hands of either of them in these enormously broad areas, then in effect they can make the decision for the President by the manner of presentation. It is a simple thing to accomplish.

I don't argue that they will. I only argue that the President should have his own built-in checks on his own top people, that the President should have dissent and vigorous disagreement built into the White House Staff Structure, and it does not appear to be there under the current arrangement.

Of vital importance, it seems to me, the President himself has got to have an independent flow of information so that he can ask informed questions, cogent questions of his top advisers; he has got to have background so that he can throw out another alternative in addition to the two that Kissinger may have presented. In addition, the President should have a brief-case full of his own "ideas" to bounce off the top advisers.

The way the thing is established, RN's only foreign policy ideas will already been screened by Kissinger, upon whom there remains no check.

Fourth. The Press Office. The Zielger approach to clear every talk with him, or let him know we had it, differs from Marvin Watson's approach of monitoring calls only in that it contains a "public disclosure" clause, with the onus on the staff member.

Now, on all matters on which one talks for public record, I concur wholeheartedly. But with the press since I have been with RN almost, 99 per cent of what I tell them is not for attribution. I think I have always been able to make a good case

for the President-elect, and for what he tries to accomplish in my own words, matching wits with these people--and we have only been burnt a few times in three years. In those three years, I have been able to soften and improve a hell of a lot of stories, to get good columns written, to get good reports turned out in the public media about our whole operation.

Now, if I am going to have to file everyone I talk with to Zielger, it is quite apparent that when a bad story or column comes out, and it is found Buchanan talked with the individual, Buchanan will henceforth be watched. It may have been that I screwed up, but it may have been that I improved the column, or prevented a worse one.

The point is that the President, to his own advantage, has to repose a measure of trust in the people around him and loyal to him, not just in their personal loyalty, but in their capacity to deal with these people. I know that Price and Buchanan and Garment and many others have press people with whom they talk to and work with, contacts that are private and which we use in behalf of the cause. If we have to name these people everytime they come in, again, that will not be censorship, but everyone is going to say, what the hell, why risk it. If TIME writes a bad article and I've talked with Fentress or Austin, then I'll catch hell and it's not worth it, so I won't talk with them or when I do,

I'll give them a lot of crap. You will be inducing that kind of attitude.

I think this was one of the mistakes of Eisenhower. It is the daily press, the Historians of the Present, who are responsible for the fact that he is not rated as a great President. Only the historians can save Ike now--and whether we like these *press* people or not, they are like Communists, we have to talk with them and deal with them and trade with them, or we are not going to be able to really put PN across.

I would hold up as the example the whole primary season where a number of us were open with these people, took risks and chances, but, damn'it, it paid off. We won't win unless we get in the game and risk some ships.

Fifth: The emphasis of the meeting seemed to be almost totally how to keep things and people away from the President. Perhaps that is just an impression, but if PN is going to change things, if he is going to turn the government in new direction, if he is going to innovate policies, as well as simply to react correctly to events, then he has got to have a steady flow of fresh, unalderated and even occasionally bizarre ideas. He has got to take some risks and chances, and we seem to be structuring ~~this~~ collateral paper-shuffling to minimize the risk and chance. We have to remember I thin k that we lack what Ike and JFK and FDR had which is that personal following and charisma

and trappings of royalty which led the public to ignore or sympathize with failures. We are going to provide our own excitement and drama and our Cabinet and top it off is a Cabinet of highly competent technicians, with Moynihan the only innovator and Kissinger's forte is in penetrating analysis from what I have seen; not in drama or imagination.

Sixth: This seems to be a corporate or para-military, pyramidal structure, which does not lend itself to the office of the Presidency. From my own experience the President is more like a publication or newspaper. "Going over his head to the Publisher" is a way of life there, and it is in that kind of "creative chaos" that you get the kind of dash and color and imagination and boldness and daring that I am afraid we are going to need-- and which doesn't seem to be programmed.

Seventh; Let me suggest that RN adopt, on top of the existing pyramid for his own benefit, a circular structure where he, like FDR, draws directly and regularly on the people ~~on~~ his staff for ideas and criticism of what is going on, and for what should go on.

This is something no one can impose upon him, but it is needed. RN has about him some twenty or more people in whom he has some confidence I think and whom he should constantly cross check things. The potential McCarthy appointment would have

a diaster in a matter of weeks I believe, with that arrogant messiah up at the UN spouting his own policy and philosophy and anyone of half a dozen of RN's advisers, it would seem to me, would have shot that thing down before it got above the treeline. I don't know how that got so far--perhaps the press is wrong-- but it indicates to me decisions are not being put through enough tests.

If RN is not going to have something like this within his staff, how is he going to get the bad news which he has to have, on a regular basis to know where something needs changing. Also, again, RN should know regularly I think what the press is thinking and writing and saying. The Fourth Estate may be the American Institution most in need of reform, but we have to deal it, because in the short run, and very possible in the long run, ~~and we~~ they are going to be grading our papers. TV is now final solution--both Romney and the Vice President-elect can testify.

Eighth: Staff members I think have to have a channel of communication with the President for another reason. To them it is the lifeblood, frankly, which enables them to represent the President's interest, to look out for those interests, to draw information from press and the Departments. If it is known that ~~some~~ of RN's aides cannot get his ear at any time, their usefulness to the President is destroyed and though the President may have a staff of forty for operational purposes it will amount to only

those few who are known to have his confidence and communicate with him.

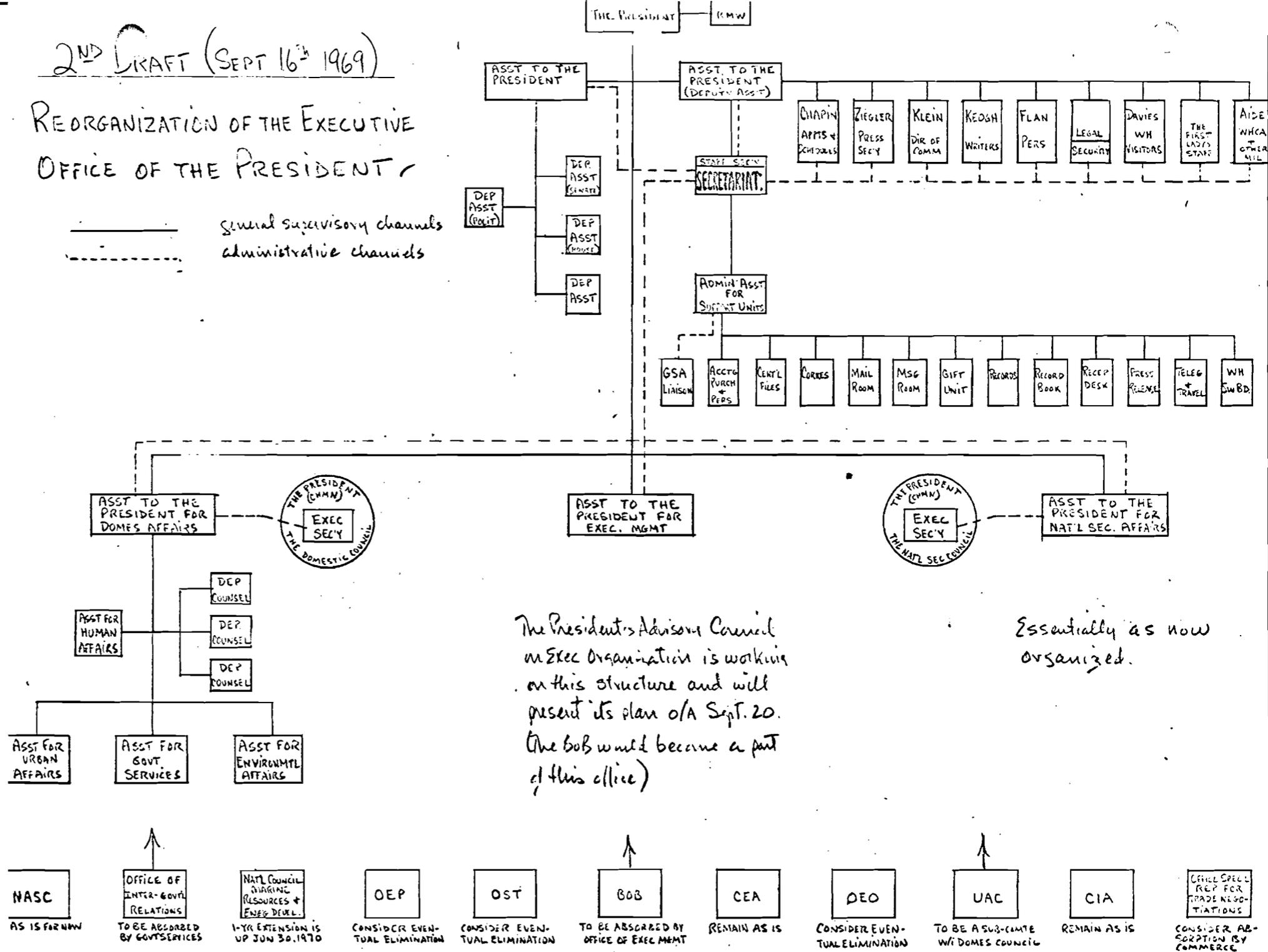
Similar arguments obtain with regard to salary and title of the President's aides, a matter which is properly the subject of another memo.

In the last analysis Robert, Structure is Policy; that is why the N. Vietnamese are battling in Paris over the structure of that conference; that is why the structure of this White House staffing can't come off some block chart, because the lines of communication on that chart are going to determine the direction of the Nixon Years.

2ND DRAFT (SEPT 16TH 1969)

REORGANIZATION OF THE EXECUTIVE OFFICE OF THE PRESIDENT

_____ general supervisory channels
 - - - - - administrative channels



The President's Advisory Council on Exec Organization is working on this structure and will present its plan o/A Sept. 20. (The BOB would become a part of this office)

Essentially as now organized.

6

Personal Notes on the Reorganization of the Personal Staff

Haldeman and Butterfield: To remain relatively unencumbered -- to be responsible for the continuous efficiency and responsiveness of the staff -- to implement new and better ways of doing things -- to continually inspect and trouble-shoot -- to be able to work interchangeably in all areas -- to guide "emphasis" appropriately, etc. -- to insure that the President's requests are fulfilled, and that he is served and supported in the best possible manner.

Rose Mary Woods: Essentially no change; however I would suggest some slight enlargement of this office, perhaps by 2-3 persons. I think it would be appropriate if Rose Mary's office assisted the Chapin and Newbrand offices with the handling of visitors (especially senior dignitaries and close friends of the President) while they wait to go into the Oval Office. It is my understanding that adjacent to RMW's new office, and just off the West Lobby, there will be one or two small but very nicely furnished waiting rooms. It makes sense to me to have one or two competent and attractive receptionists under Rose Mary's jurisdiction attend to these rooms and to their occupants.

Chapin: Essentially no change; however, the daily routine should be operated in such a way as to allow Dwight more time to think of and develop ideas -- to innovate -- to get more PR mileage out of the President's appointments, trips, visits, drop-bys, and ceremonies. (I understand that Dwight is working now on improvements to his office and its system of operation, so I have put no further thought to his bailiwick.)

Magruder: To be responsible for the development and implementation of special projects -- to move with some degree of independence among the offices of Chapin, Ziegler, Klein, and Keogh. A day-to-day "herd-rider" -- a bright and competent person to ramrod programs.

Ziegler: Essentially no change -- to continue to be responsible for Ollie Atkins' office. (11 people + Atkins' 9 = 20 total)

Klein: Essentially no change -- to continue to insure that the President and his policies and programs are accurately represented and widely disseminated. (13 people; perhaps a few too many for the mission)

Keogh: Essentially no change except for the probable absorption by his office of Noble Melencamp's office of 4 persons and the responsibility for giving continual attention to the substance and quality of Presidential letters. (24 people; we should analyze staff and try to reduce total number)

Davies: Should continue to operate essentially as it does now, but there are a number of ways to get more out of the mission of the office -- more things along the lines of Julie's participation. If someone in the West Wing is eventually put in charge of the entire "East Wing" operation it would make sense to me to have John Davies report to or at least through that man. I say this because all other functions which concern the residence are a part of the East Wing operation . . . and the Tour Office concerns the residence exclusively. (7 people in this office)

Aide: The Armed Forces Aide should be considered an integral member of the staff, which of course he is. I suppose his East Wing location is responsible for the impression that he is not . . . and Carson Howell does not list the office at all. Whereas I do not think this office need be moved to the West Wing, I do think it essential that the Aide attend the "West Wing's" morning staff meeting and become exposed to the day-to-day concerns of the President and the balance of the personal staff. I would leave to Don Hughes all aspects of "organization and/or reorganization." (Incidentally, although only 13 persons are listed under the office of the Aide, Col. Hughes has command and operational jurisdiction over WHCA personnel and many others. The total figure is classified and considered "sensitive".)

Stuart: I will not elaborate here for it is my understanding that Chuck is working independently on East Wing reorganization. I would say only that it is quite obvious that we miss opportunities to promote the First Lady and her activities . . . including regular White House social functions. (There are 28 persons listed in the combined offices of Gerry Van der Heuval, Sandy Fox and Lucy Winchester.)

Personnel: The function of this office is obvious, and its efficient operation is of great importance. Errors of negligence and slipshod performance can cost us untold losses in the image and PR areas. I don't like the idea of our having to superimpose Flanigan over Flemming as top personnel man. If the requirement to do so is valid (and I don't question at all that it is) we should look hard for an individual who can handle the full job to our complete satisfaction. (There are 16 people in Flemming's office. It should be one of the first that Haldeman and Butterfield look into in their IG capacities.)

Security: Whatever functions John Ehrlichman and his staff perform vis-a-vis security should properly be vested in a separate office on the personal staff of the President. Ehrlichman must relinquish some of his current responsibilities -- even though gradually -- if he is to take on the task of overseeing all domestic affairs for the President.

Proposed Actions to be Taken

LC

The actions which we eventually take to reorganize will depend wholly on our concept of how this particular staff should function. If it is to be, in effect, an agency which serves the President by "operating and producing", then a personnel total around the presently assigned number is probably justified. On the other hand, if we adopt the more traditional staff concept, its function will change drastically and become one which provides policy guidance ~~only~~ . . . i. e. a staff which serves as a flexible team of executives insuring appropriate liaison between the President and the departments . . . (and the entire outside world). In such case something more on the order of half our present number, or even less, would be reasonable.

Primary

For the purposes of this early collection of thoughts on the matter I'll assume that a really drastic change is not the way we want to go . . . but that nonetheless economy of operation is definitely one of our principal objectives. I would first of all do these things:

- Leave Chapin's office as is.
- Put Terry Good's office of 5 persons (Presidential Papers) under the Staff Secretary and within the Secretariat. (See Attachment "A" for mission of Office of Presidential Papers.)
- move under
Garnant* -- Eliminate altogether Bud Wilkinson's office, and give serious thought to what other office or offices might absorb the essential portions of his mission and the most competent of his people . . . including Bud, himself. (See Attachment "B" for mission of Bud's office.)
- ✓ -- Find a way to transfer Stan Blair from the White House payroll to that of the Vice President's office.
- ✓ -- Insist that Henry Kissinger appoint a deputy. His role and that of his office -- and their extreme importance to the President -- would seem to me to demand that he name a deputy who can really substitute for him in his absence . . . even if that deputy might happen to be a military officer.
- No.* -- Eliminate the separate office of the Special Assistant to the President for Liaison with Former Presidents . . . and allow the Armed Forces Aide to absorb the responsibility.
- Eliminate the office of the Secretary to the Cabinet and allow the Cabinet liaison mission to be absorbed by the offices of Haldeman-Butterfield and Cole. (See Attachment "C" re mission of the Office of Secretary to the Cabinet.)

- Allow John Whitaker to take over a new office (and job title) -- Assistant to the President for Environmental Affairs, or something similar. In this capacity he would be responsible to the Assistant to the President for Domestic Affairs (John Ehrlichman) for all matters concerning environment, natural resources, conservation, agriculture, etc.
- Give Moynihan responsibility for education and manpower, health and welfare, community development, youth, aging, crime, and civil rights. Put Len Garment's operation under Pat and Bob Brown's office under Len. Moynihan's job title would not change ... but he and his entire newly enlarged office would work through Ehrlichman.
- Give Flanigan responsibility for commerce and transportation, defense-related items (including space), Vet benefits, government services, Business Council liaison matters, SEC, consumer affairs, etc. Put Virginia Knauer's office under Peter, and extract the entire personnel (Flemming) operation from this purely domestic affairs office. Peter would work through Haldeman when wearing his "personnel" hat ... and through Ehrlichman when wearing his "Government services" hat. -- Begin looking now for a more competent Personnel Chief to replace Fleming (and to preclude the necessity of holding Flanigan to two separate and distinct roles on different staff levels).
- Analyze Klein's staff and its operation in a manner similar to Stuart's recent thorough study of the East Wing operation.
- Have Keogh analyze his own staff, including the Melencamp addition, with an eye toward strict economy of operation.
- Consider Dent's office and where it might best fit into the Executive Office organization.
- Think about increasing by 2-3 persons the office of Rose Mary Woods ... not now, but later -- after her move to what is now the press area -- and for reasons indicated in my notes on the "Personal Staff".
- Eliminate the office of Arthur Burns and give serious thought to what other office or offices might absorb the most competent of his people.

- Look for ways to eventually eliminate the separate office of Science and Technology. The functions of this office could well be performed by Flanigan's new office. (See Attachment "D" re mission of Office of Science and Technology.)
- Use most competent people from "eliminated" offices of Bud Wilkinson, General Shultz, Arthur Burns and the Cabinet Secretary to build Whitaker's new staff, and other offices under Ehrlichman.
- Move Al Toner now from Whitaker's office to that of Ken Cole.
- Move to the office of the Armed Forces Aide the two car washers now working in the White House garage. Under the present set-up they represent a separate support unit which, of course, is ridiculous.
- Give serious thought to transferring the Ushers Office from the support staff (under Bill Hopkins) to the personal staff... within the "East Wing" bailiwick overseen by Chuck Stuart. Newbrand's office might also be transferred from the support staff to Chapin's staff. I mention these possibilities in that both Newbrand and Scouten are responsive on a daily basis to persons on the President's personal staff.
- Although changes in titles of personnel are not of any immediate importance it is a subject to which some thought might well be given as we implement our reorganization. In the end, if the titles make good sense, it will help considerably toward one's understanding of the organization of the entire Executive Office of the President.
- Give thought to the most appropriate procedures for instituting a Domestic Council, to respond to the domestic needs and crises just as the National Security Council responds to national security needs and crises. The President should serve as Chairman and most of its members should be the Cabinet officers concerned with various aspects of domestic affairs. It should have an Executive Secretary who serves as a permanent official ... as does the Executive Secretary of the NSC. The Urban Affairs Council (which happens now to be a separate entity within the Executive Office of the President), the EQC and most other committees and councils now formed should (if still required) become subcommittees of the Domestic Council.

- Give thought to the possible elimination, or absorption into some other department or agency, of the National Aeronautics and Space Council, the Office of Emergency Preparedness, the Office of Science and Technology, the Office of Economic Opportunity, and the Office of the Special Representative for Trade Negotiations. Admittedly changes such as these will take months (even years) to effect but whatever appears most logical to us now should be incorporated into our over-all reorganization game plan. The National Council on Marine Resources and Engineering Development was just recently extended to June 30, 1970 ... so, without further action on our part, it will expire at that time.

THE WHITE HOUSE

WASHINGTON

OFFICE OF PRESIDENTIAL PAPERS

This office is a point of liaison between the White House and the National Archives for the development of programs leading to the establishment of the Richard Nixon Library and the collection, arrangement and description of papers, records and documents relating to President Nixon, his family and his Administration.

Mr. Terry W. Good is responsible for seeing that these assignments are carried out.

Attachment "A"

Office of Charles B. Wilkinson
Consultant to the President

Serving as consultant and adviser on youth affairs including:

Vice Chairman, President's Council on Youth Opportunity
College Student Voluntary Action Programs
Summer Intern Programs
White House contacts with student leaders and organizations

White House liaison with:

The Advertising Council
American Red Cross
Boards and Commissions, such as the American Revolution
Bicentennial Commission and the Presidential Scholars
1970 White House Conference on Children and Youth

White House adviser on matters of immediate concern, such as: draft reform, drug abuse, campus unrest, and amateur athletic problems.

Collateral duties:

Organize Sunday White House Worship Services
In process of finalizing recommendations concerning non-regulatory boards and commissions
Represent Administration as speaker, television interviews, etc.

Staff: James Atwater, Jeffrey Donfeld, and John Campbell, who have responsibilities in areas listed above. One staff assignment currently in process of being filled.

Attachment "B"

THE WHITE HOUSE

WASHINGTON

OFFICE OF THE SECRETARY OF THE CABINET

1. Set Cabinet agenda items.
2. Route agenda items not of Cabinet-wide interest to smaller Cabinet Committees' Executive Directors (e. g. Moynihan, McCracken, DuBridge, etc.)
3. Attend Urban Affairs Council and Environmental Quality Council meetings to keep tracking on the issues.
4. Set up appointments with various White House staff members and Cabinet Officers to resolve issues.
5. Set up appointments for Cabinet Officers with the President via Chapin, especially when "temperatures are high."
6. Numerous handholding chores, for example:
 - a) move personnel Presidential appointments - very time consuming
 - b) tabulate personnel progress reports to Mr. Haldeman -- (now monthly)
 - c) organize Cabinet attendance at various Presidential functions
 - d) answer questions all day long from Departments on all sorts of nitpicking matters
 - e) coordinate quarterly inventory of departmental activities.

Attachment "C"

OFFICE OF SCIENCE AND TECHNOLOGY

Evaluates and reviews major policies, plans and programs of science and technology of the various agencies of the Federal government . . . with emphasis given to their relationship to national security and foreign policy.

Assures close liaison between the Federal government and the scientific and engineering communities.

Dr. Lee DuBridge is responsible for the above mission and in addition serves as Chairman of the Federal Council for Science and Technology.

Attachment "D"



Initially Proposed Actions and
The Current Status of Each

I believe we all agree that the traditional staff concept -- that of relatively few people advising the chief (in this case the President) re policy decisions, and to some extent serving as his antennae for keeping abreast of domestic and foreign affairs as well as the moods and attitudes of the people -- is the best concept to adopt in working out a White House Staff reorganization characterized by economy of operation and over-all efficiency. The big, cumbersome "work staff" which generates volumes of material from within its own resources and feels compelled to re-do (rather than simply review and screen) all correspondence inbound to the President is to be avoided. But, I think we agree too that we should not effect an immediate drastic reduction in our personnel strength. We should, instead, reduce our numbers gradually and take great care that competent people are not moved out and away but rather over and up to positions which offer new and at least equal challenges.

Proposed actions as forwarded last week for your consideration are listed below ... followed by brief statements as to their status as of noon on September 17th.

- Leave Chapin's office as is.

Okay. No argument. What few changes might occur here will be at Chapin's direction after Bob Haldeman's approval.

- Put Terry Good's office of 3 persons (Presidential Papers) under the Staff Secretary, i. e. within the Secretariat.

Okay. We should do this now. I suggest that Ken Cole (and possibly Butterfield representing Haldeman) talk to Terry Good on Monday morning, September 22, and effect the transfer at that time.

- Eliminate altogether Bud Wilkinson's office, and give serious thought to what other office or offices might absorb the essential portions of his mission and the most competent of his people ... including Bud, himself.

We will combine the offices of Bud Wilkinson, Bob Brown and Len Garment under Garment's supervision . . . Garment assuming the title, "Assistant to the President for Human Affairs" or something similar, and reporting to the President through John Ehrlichman, Assistant to the President for Domestic Affairs. I see no reason why the three offices mentioned cannot be combined without delay and suggest September 22nd as the effective date.

- Find a way to transfer Stan Blair from the White House payroll to that of the Vice President's office.

This can be done and is being worked out at the present time between Butterfield and Carson Howell.

- Insist that Henry Kissinger appoint a deputy. His role and that of his office -- and their extreme importance to the President -- would seem to me to demand that he name a deputy who can really substitute for him in his absence . . . even if that deputy might happen to be a military officer.

We concede to Henry that a deputy should not be appointed or designated . . . and that soon-to-be Brigadier General Al Haig corresponds to a deputy in all ways which matter.

- Eliminate the separate office of the Special Assistant to the President for Liaison with Former Presidents . . . and allow the Armed Forces Aide to absorb the responsibility.

We will leave this office as is, but keep a sharp lookout for a prospective (civilian) replacement for Brigadier General Schulz.

- Eliminate the office of the Secretary to the Cabinet and allow the Cabinet liaison mission to be absorbed by the offices of Haldeman-Butterfield and Cole.

We will hold off on this action for the time being, retain Whitaker as the office principal and in no way alter current staffing.

- Allow John Whitaker to take over a new office (and job title) -- Assistant to the President for Environmental Affairs, or something similar. In this capacity he would be responsible to the Assistant to the President for Domestic Affairs (John Ehrlichman) for all matters concerning environment, natural resources, conservation, agriculture, etc.

For the time being at least, we will hold John Whitaker in his present capacity as Cabinet Secretary. However, we will continue to think of "Environment Affairs" (or something similar) as a third section or office within John Ehrlichman's domestic affairs organizational structure.

- Give Moynihan responsibility for education and manpower, health and welfare, community development, youth, aging, crime, and civil rights. Put Len Garment's operation under Pat and Bob Brown's office under Len. Moynihan's job title would not change . . . but he and his entire newly enlarged office would work through Ehrlichman.

All but civil rights will be given to Pat Moynihan. That particular mission will be renamed "human affairs", or something similar, and established as a separate bailiwick under Len Garment as described above. We agree that Moynihan's job title will not change but that his office will work through Ehrlichman.

- Give Flanigan responsibility for commerce and transportation, defense-related items (including space), Vet benefits, government services, Business Council liaison matters, SEC, consumer affairs, etc. Put Virginia Knauer's office under Peter, and extract the entire personnel (Flemming) operation from this purely domestic affairs office. Peter would work through Haldeman when wearing his "personnel" hat . . . and through Ehrlichman when wearing his "Government services" hat. -- Begin looking now for a more competent Personnel Chief to replace Flemming (and to preclude the necessity of holding Flanigan to two separate and distinct roles on different staff levels).

Okay. All agree.

- Analyze Klein's staff and its operation in a manner similar to Stuart's recent thorough study of the East Wing operation.

We are holding off on this for now. Chuck Stuart will make an impartial study of Klein's staff and its mission upon his return from vacation.

- Have Keogh analyze his own staff, including the Melencamp addition, with an eye toward strict economy of operation.

Jim Keogh is performing this analysis at the present time and will report his findings and opinions in a memo to Butterfield.

- Consider Dent's office and where it might best fit into the Executive Office organization.

The problem has been considered and solved. Dent's office will come under Bryce Harlow, with Harry serving as one of Bryce's deputies.

- Think about increasing by 2-3 persons the office of Rose Mary Woods . . . not now, but later -- after her move to what is now the press area -- and for reasons indicated in my notes on the "Personal Staff".

We have all agreed to discard this idea for now and the near future.

- Eliminate the office of Arthur Burns and give serious thought to what other office or offices might absorb the most competent of his people.

We have eliminated Dr. Burns' office from the latest draft of the organizational chart. . . . and we have moved the names of his staff personnel to the "White House Miscellaneous" category.

- Look for ways to eventually eliminate the separate office of Science and Technology. The functions of this office could well be performed by Flanigan's new office.

Evidently all agree but no action will be taken now or in the near future. This project is being moved to the back burner.

- Use most competent people from "eliminated" offices of Bud Wilkinson, General Schulz, Arthur Burns and the Cabinet Secretary to build Whitaker's new staff, and other offices under Ehrlichman.

Proposed disposition of each office mentioned has been discussed in paragraphs above.

- Move Al Toner now from Whitaker's office to that of Ken Cole.

We have agreed that for the time being we will leave John Whitaker's office intact.

- Move to the office of the Armed Forces Aide the two car washers now working in the White House garage. Under the present set-up they represent a separate support unit which, of course, is ridiculous.

Butterfield has discussed this project with Bill Hopkins and relayed action responsibility to Colonel Hughes. Don sees no problems here and will report back when the transfer has been completed.

- Give serious thought to transferring the Ushers Office from the support staff (under Bill Hopkins) to the personal staff ... within the "East Wing" bailiwick overseen by Chuck Stuart. Newbrand's office might also be transferred from the support staff to Chapin's staff. I mention these possibilities in that both Newbrand and Scouten are responsive on a daily basis to persons on the President's personal staff.

The Ushers Office (under Rex Scouten) and the Reception Desk (under Bob Newbrand) will remain as two separate units on the support staff ... and under the overall supervision of Bill Hopkins.

- > Although changes in titles of personnel are not of any immediate importance it is a subject to which some thought might well be given as we implement our re-organization. In the end, if the titles make good sense, it will help considerably toward one's understanding of the organization of the entire Executive Office of the President.

All agree.

- Give thought to the most appropriate procedures for instituting a Domestic Council, to respond to the domestic needs and crises just as the National Security Council responds to national security needs and crises. The President should serve as Chairman and most of its members should be the Cabinet officers concerned with various aspects of domestic affairs. It should have an Executive Secretary who serves as a permanent official ... as does the Executive Secretary of the NSC. The Urban Affairs Council (which happens now to be a separate entity within the Executive Office of the President), the EQC and most other committees and councils now formed should (if still required) become subcommittees of the Domestic Council.

It is my understanding that all of us, including the President's Advisory Council on Executive Organization, do want to move ahead toward formation of a Domestic Council. Normally, the creation of such an organization would require legislative action -- i.e. the passage of a special Act prepared in close coordination with the Office of the Attorney General. Congressional approval of an Act such as this can be (and often is) helped along somewhat by earlier publication of an Executive Order putting the substance of the proposed Act in being ... and thereby sort of selling the nation and the Congress on its necessity, and at the same time getting everyone used to its existence and its role in the conduct of governmental affairs. Whereas I believe the domestic (functional) organization under John Ehrlichman should start to take shape right away, I can see merit to delaying action on the Domestic Council at least until Roy Ash's group has elaborated on its earlier views and proposals.

- Give thought to the possible elimination, or absorption into some other department or agency, of the National Aeronautics and Space Council, the Office of Emergency Preparedness, the Office of Science and Technology, the Office of Economic Opportunity, and the Office of the Special Representative for Trade Negotiations. Admittedly changes such as these will take months (even years) to effect but whatever appears most logical to us now should be incorporated into our over-all reorganization game plan. The National Council on Marine Resources and Engineering Development was just recently extended to June 30, 1970 ... so, without further action on our part, it will expire at that time.

These projects will receive continued attention.

- Allow John Ehrlichman to retain the prime counsel function and over-all responsibility for security.

We should compromise here. John should continue to serve as the President's personal consultant on legal matters ... and to handle the personal (legal) affairs of the First Family (property transactions, trust funds, etc.). Further, he should keep his current battery of Deputy Counsels to assist him with the staffing of "domestic" papers. However, John should relinquish his responsibility for security matters and allow it to be transferred to Haldeman but placed in the charge of a legal expert on the President's personal staff. While overseeing the security function, this legal expert should serve additionally (actually, primarily) as a "staff counsel" for the Secretariat.

LC

Personnel Working in Various Offices of The White House Staff
Who Are Not Officially Listed by Carson Howell's Personnel Office
... And For Whom There Is No Official Authorization To Date.

ADDITIONAL PERSONNEL ASSIGNED TO HARRY DENT, EOB OFFICE

Tom Lias	-temporarily on RNC payroll, to be on White House
Margaret Joyce Connor	-detailed from Small Business Administration
Rosemary K. McManus	-detailed from Interior Department
Nyle M. Jackson	-detailed from Post Office Department
Claire Comtois	-detailed from Post Office Department
Jack Gleason	-detailed from Commerce Department
Carol Duncan	-detailed from Commerce Department
Tom Reed	-California National Committeeman, volunteer
Joel Fisher	-detailed from State Department, currently traveling in Europe, not expected to return to White House job

ADDITIONAL PERSONNEL ASSIGNED TO HARRY DENT, EAST WING OFFICE

Gordon Brownell	- detailed from Department of HEW
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ADDITIONAL PERSONNEL ASSIGNED TO HARRY FLEMMING

Dave Lissy	- detailed from GSA - Archives
Gary Cunningham	- detailed from Veterans Administration
Peter Millspaugh	- detailed from Department of the Interior

ADDITIONAL PERSONNEL ASSIGNED TO DR. KISSINGER

William Anthony K. Lake - detailed from State Department

ADDITIONAL PERSONNEL ASSIGNED TO DANIEL P. MOYNIHAN

Arthur M. Klebanoff - entered on duty 9/2/69, not on any agency
rolls as of 9/11/69

Jean G. Robinson to be transferred from Mr. Moynihan to Len Garment.

ITEK CORPORATION - 10 MAGUIRE ROAD
LEXINGTON, MASSACHUSETTS 02173 - (617)-276-3001

FRANKLIN A. LINDSAY, PRESIDENT

December 17, 1968

The Honorable Richard M. Nixon
450 Park Avenue
New York, New York 10022

Dear Mr. President-Elect:

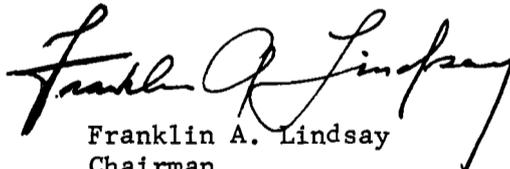
The attached memorandum has been prepared at your direction by your Task Force on Organization of the Executive Branch. We have tried in this study to identify a limited number of actions that might be taken in the early days of your administration to preserve options, to take advantage of opportunities, and to begin to get at urgent problems. We have also outlined a longer term program for achieving effective reorganization which we believe will preserve your initiatives and give you the most flexibility.

We urge that you move quickly in outlining your organization programs in order to seize and hold the initiative, and we have outlined a specific program for your consideration.

Although these recommendations did not anticipate Mr. Moynihan's appointment as Assistant for Urban Affairs, we believe that our recommendations are consistent with this appointment and demonstrate their flexibility to your needs.

We are pleased to be asked to do this study and hope it will be of assistance in the tasks that lie ahead.

Sincerely,



Franklin A. Lindsay
Chairman,
Task Force on Organization
of the Executive Branch

FAL:db
Attachment

MEMBERS OF THE NIXON TASK FORCE ON
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SUMMARY OF RECOMMENDATIONS

We recommend that the President-elect give first priority to organizing more effectively the White House and Executive Office as the best way to improve the operations of the entire Executive Branch.

1. We urge preparation now of a message for early delivery to Congress. It should request renewal of the President's general reorganization authority: that is, reenactment of the statute expiring in December 1968, which, with certain limitations, authorizes the President to submit reorganization plans which will take effect unless vetoed by Congress within 60 days. In addition, this message should request new discretionary authority to reorganize the Executive Office without further reference to Congress. The first Hoover Commission pointed out as long ago as 1949, that "to enable the President to make use of the total resources in a flexible manner, he should be given complete freedom to adjust the internal relationships of the President's Office." At present, the President does not possess formal reorganization powers for his own Executive Office which are comparable to those of Cabinet officers in their separate departments. He should have such powers.

2. Using these powers (or resorting to administrative expedients if Congress declines to act), the President should provide himself with new or improved resources

in five critical areas: executive management, program development, personnel management, organizational reform, and provision of critical information.

a. First, he should elevate and greatly strengthen the Budget Bureau's Office of Executive Management, placing it under a new Deputy Director and assigning it responsibility to review, evaluate, and coordinate federal programs and to make sure that executive departments work in harmony and make the most effective use of regional and local agencies, especially in their relation to state and local governments.

b. Second, he should establish a new Office of Special Studies under a Director with the status of a presidential assistant. With a small career staff and authority to form specialized program development committees of both government officials and outside experts, this Office would provide in-depth studies of problems on which the President needs careful and reflective advance thought. Such an office would provide studies which are responsive to the President's needs and which are much less subject to the risks of irresponsible action inherent in public commissions.

c. Third, he should establish an Office of Executive Personnel to guide and review proposals for changes in the many federal personnel systems, and eventually to set policies governing recruitment, classification and transfer of all super-grade civil service personnel.

d. Fourth, he should reestablish the President's Advisory Committee on Government Organization, the members of which would be drawn from private life. With no permanent staff of its own, but with full support from the Budget Bureau's new Office of Executive Management, this Committee would recommend to the President plans for

improvements in the organization and administration of the Executive Branch. We believe that this device will provide far greater flexibility and responsiveness to the President's needs than would a new, statutory "Hoover Commission."

e. Finally, by reinforcing the Bureau of the Budget, the National Security Council, and the staff resources available to his chief assistants, the President should achieve an improved capability for obtaining critical information, both from the Executive Branch and from the outside.

Although the President probably will not want to make immediate changes elsewhere in the Executive Office, possession of reorganization powers would enable him later to transfer functions or personnel into or out of such units as the Office of Emergency Preparedness, the Office of Science and Technology, and the Council of Economic Advisers.

3. We recommend further that the President assign to the recreated Advisory Committee on Government Organization, as a matter of continuing high priority, the study of the desirability for consolidating, or dividing, existing agencies concerned with both domestic and foreign affairs. In the meantime, we urge use of small Cabinet or NSC committees as flexible instruments for executing programs which cut across departmental and agency boundaries.

We do not recommend a statutory "Hoover Commission" because we believe that it is unlikely to be responsive to your needs, that it will be slow and cumbersome in getting at problems, and that it will deprive you of the initiative and flexibility to use the most suitable approach to each major organizational problem.

4. We also recommend that the President impress upon each newly appointed agency head:

a. The potential usefulness of long-range budget planning as a tool for gaining control over his departmental policies and programs

b. The need for top quality assistants, including men skilled in budgetary analysis, to serve him directly in staff, not line, positions

c. The importance of establishing better criteria by which to measure the effectiveness not only of experimental but also of on-going programs

d. The importance of active steps to improve morale among, and obtain enthusiastic cooperation from, departmental career employees in the field as well as in Washington

5. Finally, we urge that the President himself take steps to win understanding, confidence and cooperation from the career employees upon whose performance much of the success of his administration will depend.

Each of these recommendations receives amplification in sections that follow.

INTRODUCTION

The Nixon administration has a unique opportunity to convert the federal government from a sprawling, cumbersome bureaucracy that has become virtually unmanageable in such areas as urban problems into an instrument which will serve the public interests responsively and effectively.

There has now developed a durable consensus among both the Democratic and Republican parties, manifested in a substantial body of legislation, that the federal government has major responsibilities for promoting the health, education, and welfare of the citizenry; helping rebuild our cities; modernizing our transportation system; achieving a high level of economic growth with full employment and stable prices; controlling the balance of payments; and bringing the disadvantaged into meaningful participation in our democratic society. These new functions are in addition to the more traditional but greatly expanded functions of defense and foreign affairs.

The issue now is not whether government should do these and other things the public requires to improve our society, but how it can do them well.

There is, therefore, an urgent need to organize and manage the executive branch for the most effective execution of its myriad responsibilities—from delivering mail on time to attaining a peaceful world order.

The resources for attaining a great society are available but our institutions, and most especially our governmental institutions, have failed so far to utilize our vast resources with the imagination, vigor, and skill required to move the country forward.

Greatly improved governmental organization and management are not mundane and technical considerations. They are central to the task of the new administration. They are of the highest priority and of the greatest significance. If they are accomplished, the benefits will be felt by every citizen, and the government will regain the confidence and respect of the people it is expected to serve. If they are not accomplished, our society cannot help but deteriorate further, perhaps fatally.

In this light, we have addressed ourselves to the most pressing problems of governmental organization and management that will face the new administration in its first 90 days. We have identified tasks that must be tackled immediately with courage and boldness, so that the immediate opportunities and options for real improvement in government efficiency are not lost, and we have set forth specific recommendations for action in the 90-day period.

We have also provided for the tools which we believe the President will require to carry out the more fundamental reforms of the Executive Branch in the longer run. These tools, or instruments for more thorough analysis and more profound change, are designed to provide you with the most practical means for continuously improving governmental operation and for bringing about responsible and efficient administration. These include, as detailed in our report, a greatly strengthened Office of Executive Management, a new Office of Special Studies, an Office of Executive Personnel, and a revised President's Advisory Committee on Government Organization.

We believe these recommendations, taken together, will provide you with the ability to respond more rapidly to urgent problems, flexibility enabling you to adopt the governmental mechanism to your changing needs, and a means of giving clear direction to the various agencies of the Executive Branch that should respond to your leadership.

In summary we believe you need:

- Freedom from any further encroachment, through added statutory limitations and regulations, on your constitutional functions as Chief Executive
- Increased flexibility to cope with the urgent problems you will face
- The ability to select from among a range of different organizational devices that approach which will be most effective in solving each individual problem
- An increased capability for “quick reaction” responses to urgent problems.

REPORT OF TASK FORCE ON ORGANIZATION OF
EXECUTIVE BRANCH OF THE GOVERNMENT

ORGANIZATION OF THE EXECUTIVE OFFICE

The device of delegating to the President responsibility for reorganizing the Executive Branch, subject to review and veto by Congress, originated under President Hoover with the Economy Act of 1932. Alternately strengthened and diluted by subsequent acts, this power is, under present legislation, subject to two limitations. First, a simple majority in either House suffices for a veto. Second, no plan may create or abolish any executive department. Ideally, we believe, the Reorganization Act of 1949 (now Ch. 9, title 5, U.S. Code) should be extended without the subsequently added limitations, and with Congress exercising its veto only by concurrent resolution or, at most, by a constitutional majority of either House. But we do not feel that the gain would be worth the necessary political battle. Therefore, we recommend that the President request only the present more limited reorganization authority be extended by the new Congress.

With regard to the Executive Office, however, it is our view that the potential benefits of new reorganization authority are great enough to justify an expenditure of "political capital" should this be necessary. Past reorganization plans have transferred to the heads of most executive departments substantial authority over internal

organization. The President's control over his own Executive Office is, at least in formal terms, much weaker. Since the Office serves the President directly in the execution of his constitutional authority as Chief Executive, we believe strongly that he should seek from Congress authority to reorganize it by executive order as he sees fit—to transfer powers or to delegate powers within it at his discretion, and without the possibility of subsequent negative Congressional action.

Political Obstacles

We do not minimize the political obstacles. The Congress will inevitably be suspicious of any proposal that threatens to increase the power of the President. In an opposition-led Congress, this will be doubly the case. In addition, President Nixon will have to explain some of the purposes for which he seeks reorganization authority. In doing so, he will inevitably arouse fear that he intends to encroach on jealously guarded interests. The proposed strengthening of the Budget Bureau's capacity to exercise leadership in management improvement, for example, will be recognized by some as foreshadowing possible moves to consolidate federal activities on regional or functional bases. As a result, some Congressmen will fear subsequent moves to shift facilities or personnel from their districts or states. Others will speak up for bureaucratic groups whose autonomy might thereby be jeopardized. Similarly, our proposed Office of Executive Personnel could be seen as potentially threatening the powers of the Civil Service Commission and the independence of the elite Foreign Service. It could give some adversaries of the administration opportunity to cry alarm over the danger of the President's reviving the spoils system.

Requirements for Funds

The President should, in his supplemental budget, request an increase in appropriations for the Executive Office. Although all of our proposed new Executive Office units would be small, we foresee immediate need for some new professional-level personnel and additional funds for consultants and contract research. Also, a part of the White House staff has, in the past, been detailed to the Executive Office and charged to budgets of other departments. In addition, we believe that the President should ask for the increase of his Emergency and Special Projects funds to \$20 million, and at very least to \$10 million. For the past 12 years this fund has remained in the vicinity of \$2 to \$2.5 million, which has been very inadequate to permit the President to meet unforeseen but urgent needs.

We do not believe that such supplemental funds for the Executive Office will prove difficult to obtain. In the past, the Appropriations Committees have not seriously questioned such requests. The principal force for restraint has been the Budget Bureau which, after stripping back budget requests of the Departments, has been loath to recommend enlarged or even adequate monies for the Executive Office. Obtaining reorganization powers will, we believe, pose more political difficulty than securing funds with which to put such powers effectively to use.

Specific Needs of the Executive Office

We recommend reorganization of the Executive Office of the President

in several areas.

Improved Information-Gathering. At present, the White House and Executive Office stand at a relative disadvantage as compared with executive departments and agencies. Since they have few career officials, they experience much more turnover during a presidential transition. And because White House files belong to the outgoing President rather than to the on-going government, new men in the White House and Executive Office have less to turn to in the way of written records. The problem is greatest, probably, in the national security area, where the key personnel and many of the most important documents depart. It is least in regard to legislation, where the Budget Bureau's Legislative Reference unit has a career bureaucracy and maintains records covering all but the most sensitive political aspects of past legislative proposals. Nevertheless, lack of adequate information on current issues will confront all men newly entering the White House and Executive Office and will continue to concern them even after settling in.

We see no single across-the-board solution to this problem. In part, but only in part, the problems relate to information retrieval. The Budget Bureau has recently let a contract for an information retrieval system. When it is in operation, the Bureau should be able to obtain and produce more readily program and performance data on the broad range of government activities.

We suggest also that you ask President Johnson to make arrangements by which you can from time to time make specific requests to his designated librarian for information that may prove to be unavailable in departmental files.

In larger part, immediate and foreseeable problems in the White House and Executive Office staff arise from limitations of staff. Men are so preoccupied that they do not have time even to send for files, staff studies, or the like, bearing on problems before them. Using reorganization powers, the President could shift staff permanently or temporarily from one unit to another or assign one unit a regular function in support of another—instructing a unit of the Budget Bureau, for example, to provide continuing aid to his assistant for national security affairs.

An Office of Executive Management in the Bureau of the Budget. The Bureau of the Budget has long had responsibility for organization and management problems. In recent years, however, its capability for dealing with such problems has atrophied. An Office of Executive Management has been established during the last year within the Bureau for the purpose of restoring, broadening, and strengthening the management and program coordination role, but no head for this Office has yet been appointed. The objective thus remains only an aspiration. We believe that it should be given high priority. Accordingly, we urge the creation of a second Deputy Directorship, the appointment of this Deputy Director as head of the Office of Executive Management, and the assignment to this Office of additional money and manpower.

The Office of Executive Management should then become the President's principal internal staff for coordinating, reviewing, and improving federal organization and management. It should examine and prepare reports on the manner in which federal or federally-aided services are coordinated on the national and regional levels and delivered at the local level. In some cases, this duty should involve not only coordination of current programs but also redefinition and redesign of those in which confusion

or inefficiency seem inherent or about which serious consumer dissatisfaction manifests itself. Ultimately, this Office probably should establish field offices to monitor decentralized programs of departments and agencies. The Office should, in addition, provide basic staff work for the reestablished Advisory Committee on Government Organization and, on its own, attack such matters as the efficiency of the General Services Administration, policies for government contracting, etc.

Creation of an Office of Special Studies. One clear lack in the present Executive Office is capacity for in-depth analysis of problems not immediately at crisis stage but foreseeably important to the President and not adequately examinable by any existing department, agency, or interdepartmental committee.

The most fundamental reason for the creation of an institutional arm for special studies within the Executive Office of the President is the need for depth studies which anticipate crises well before they happen and which propose timely, preventive, or corrective action. Unless a special, separate office is created within the Executive Office of the President, assigned the specific responsibility of conducting or organizing depth studies of major issues which the President and his key advisers identify as emerging problems which have not yet reached the crisis stage, the Administration is likely to move from crisis to crisis, unprepared to cope with them through advance analysis, preventive action, and contingency planning. To fill this lack, we recommend creation of an Office of Special Studies.

Such an Office should be headed by a man in whom the President has high confidence. He might appropriately serve both as its Director and as an assistant to the President,

playing a dual role comparable to that of the Science Adviser (who is both a presidential assistant and head of the Office of Science and Technology).*

This Office of Special Studies should have a small permanent staff, combining strong analytic talent with a capacity to organize team projects. Much of the Office's work would be done by career people borrowed from departments or agencies and by outsiders, brought in from state or local government or the private sector. Studies would be prepared by (1) task groups directed by the permanent staff or (2) presidentially appointed committees, for which the Office would provide or arrange staffing, or (3) by contractors, with the Office developing the specifications and probably also negotiating contract terms.

This Office should at all cost avoid overloading itself. Its key function would be to achieve for the President the kind of long-range planning that is almost inevitably precluded if a number of problems have to be dealt with at the same time. Its Director should have instructions to concentrate on problems with specified characteristics. They should be problems (1) cutting laterally across departmental lines, (2) involving state or local government or private sector units as well as federal agencies, or (3) of such a character that no single department or agency could study them objectively or adequately. The Office should avoid assignments that can be dealt with adequately by a department or agency or by any other element of the White House or Executive Office. At the same time, however, the Director should clearly not concentrate so exclusively

*If the role of this Office were primarily domestic affairs, Mr. Moynihan might serve as its director even though the potential range of studies would be broader than urban problems.

on long-range problems as to lose contact with the day-to-day concerns of the President. It would be important that he maintain continuing contact with presidential assistants handling more short-term assignments.

Examples of the studies which such an office might be asked to undertake are:

a. An examination as to how to divide up the problems of the cities into manageable components for purposes of separate, dovetailing studies. The problems are so numerous, complex, and interrelated as to make extremely difficult any general study without separate sub-studies. The development of a conceptional framework, showing how such components would relate to the larger purpose, suggesting priorities, and suggesting the varying methods by which each component study might best be conducted could well be one of the first projects undertaken.

b. A review of grant mechanisms, especially proposals for block grants, revenue sharing, and related fiscal devices for strengthening state and local governments and services. This is an area in which there is bipartisan interest. Much work has been done in this field but it is not in a form which will permit the President to accept any existing packaged proposal. Much more careful staff work needs to be done from the President's perspective.

c. Tax credits to private business to assist in overcoming urban ghetto problems. The Treasury Department, the Council of Economic Advisors, and the Bureau of the Budget have traditionally been strongly opposed to tax credits in almost any form (with the sole exception of the investment tax credit). If the President is to obtain a sympathetic or unprejudiced analysis of the idea to which he gave support during the

campaign, he is more likely to get it in this office than in the institutions which have stoutly and steadfastly opposed tax credits of any kind through both Republican and Democratic Administrations.

d. Methods of engaging the participation of the recipients of services at the local level while maintaining reasonable standards and accountability. This problem, highlighted by the school decentralization plan and the teacher's strike in New York, seems very likely to be the forerunner of many more such issues. The Federal Government cannot escape eventual involvement. The President needs to be forearmed.

e. Means of doing more of the government's business through outside organizations. In addition to straight contracting, there are many other devices, such as public corporations, that can be useful in providing public services more effectively than can be done directly by government agencies.

An Office of Executive Personnel. The achievement of maximum efficiency from competent personnel is the goal of any organization, whether public or private. Federal personnel have been studied and re-studied ad infinitum—but the goal is far from attained. Recommendations are made periodically by various groups and individuals. One of the most notable—and which is still fresh after four years—is the Committee for Economic Development (CED) report on Improving the Executive Management in the Federal Government.

We agree with the CED's focus on the key people employed by the Federal Government—some 8,600 of them: i.e., the career and political executives holding senior positions in departments, bureaus, divisions and independent agencies, on whom the

effective management of the Federal Government depends. Our recommendations center on those who manage, for this is the group that ultimately makes or breaks an administration. Though other areas of personnel management are important, at this time priority should be given to the strengthening of the managerial and professional staffs in the Executive Branch.

Although the President is constitutionally the Chief Executive, his capacity to exert effective leadership in personnel matters has been progressively limited by legislative action, especially in the last 40 years. Yet, the President cannot evade the constitutional responsibility for performance and results in the Executive Branch. Since 1930 Congress has enacted a mass of detailed legislation, tending to freeze many administrative details of personnel administration into statute, thus depriving the President and his Cabinet of needed discretion and flexibility. Today, after some 1,500 separate statutes have passed affecting personnel, the President can exert only minimal influence over the selection, supervision, motivation, and evaluation of the key career executives on whom he must depend for effective execution of his policies.

Historically, there have been three central units of government charged in one way or another with assisting the President on executive personnel matters: the Civil Service Commission, the Special Assistant to the President for Personnel Management (discarded in 1961), and the Bureau of the Budget. We believe and recommend that such resources could be more effectively organized and that the President's efforts to strengthen the executive personnel of the government can be greatly enhanced if there is an assignment of responsibility within the Executive Office of the President for the broad development of executive personnel.

Accordingly, we recommend that there be established in the Executive Office of the President an Office of Executive Personnel.

We are agreed that ultimately this Office should manage the recruitment, classification, transfer, and separation of all super-grade civil servants, including those in the Foreign Service and other special systems. It should be the agency through which the President sets policy governing recruitment, promotion, etc., throughout the career federal service. It should also lead in creative proposals for motivating and upgrading the civil service.

We believe that the degree to which formal responsibilities for super-grade personnel can be assumed by this Office at the outset can only be determined by a testing of the receptivity of Congress. We believe you should move as fast as you can.

A further role which such an Office could perform now would involve staff work, perhaps for a special Presidential commission, on the fundamentals of personnel systems and relationships between federal and non-federal systems. Rigidities have developed which impede the mobility of personnel between systems of the Federal government, between systems of state and local governments and the Federal government, and between private and public employment. An Office of Executive Personnel should seek remedies for these symptoms of hardening in our arteries.

A further responsibility should be to assess the implications of rapid growth in employee unionism, collective bargaining, and threatened or actual strikes both as a general national problem and as a specific problem in respect to unionized Federal employees. While no major strike of Federal employees has yet occurred, the handwriting is on the wall. This problem certainly deserves a good anticipatory study. The Office of Special Studies could provide the support for such a study.

Reestablishment of a President's Advisory Committee on Government Organization. A committee of this general nature existed from the time of the first Hoover Commission until 1961. Made up of distinguished private citizens, it would view organizational problems in the executive branch without the biases inevitably to be found in agency representatives or active members of the House or Senate. It has provided successive Presidents with sensible and useful advice on such problems.

We recommend its reestablishment not only on the assumption that it will render equivalent service to the Nixon administration but also because we believe that it can be more effective than a new "Hoover Commission," such as is now advocated widely. For reasons detailed below, we regard the "Hoover Commission" concept as undesirable.

We believe that this Committee can provide both flexibility and responsiveness to your needs. It will be able to attack urgent problems quickly, without the long delays inherent in a single massive reorganization study. Some of the organizational problems it might study are:

- The possible inclusion of AID and USIA within an expanded State Department
- The organization of present independent agencies such as NASA and the AEC
- The combining, or separating, of departments and agencies concerned with human problems.

These are discussed in more detail later.

We believe further that an Advisory Committee could serve the President as a primary means for getting quickly at such complex and urgent questions as how to improve the management of non-military foreign activities. With the Budget Bureau's strengthened Office of Executive Management supplying most of the staff work and relevant agencies the rest, the Committee could review possible organizational changes and make recommendations to the President on whatever timetable he fixed.

Other elements in the Executive Office. After obtaining reorganization powers, the President should, in addition, review existing elements in the Executive Office to determine whether changes in them are needed or desirable. He needs to consider whether he wishes to retain in the Executive Office some policy-setting mechanism for poverty programs or whether all elements of the Office of Economic Opportunity should be removed or dispersed. His position on this question must be determined early, for Congress must enact new legislation on OEO by June. After determining to what extent relations with state governments will remain under the charge of the Office of Emergency Preparedness or will become the concern of the Vice-President, he may choose to transfer some OEP functions and personnel to other units in the Executive Office or the executive branch. He may wish some change in the small Office of the Special Representative for Trade Negotiations. He probably will not want to alter the character or structure of either the Council of Economic Advisers or the Office of Science and Technology.

Fallback expedients in the event that reorganization powers prove unobtainable

Although our recommendations concerning the Executive Office can best be carried

out if the President acquires the discretionary authority to reorganize, many could be effected, even in the absence of such authority.

a. Office of Executive Management. As noted above, the shell of such an Office exists in the Budget Bureau. The President could instruct his Budget Director to assign one Assistant Director exclusive responsibility for that Office and to provide it adequate resources. Congress would probably supply the requisite manpower and money even if it rejected the reorganization proposal.

b. The NSC. If it seems desirable to increase the NSC staff, the President could, as in the past, use Special Projects funds and/or borrow agency personnel without transferring them formally or budgetarily to the Executive Office. Similarly, he could, if he chose, give his assistant for national security affairs a second hat as Executive Secretary of the NSC and allow him to organize the staff as he chose.

c. Special Studies. Though the President could almost certainly obtain special legislation setting up an Office of Special Studies, he might encounter Congressional demand that its Director be subject to Senate confirmation. Probably, therefore, the President would be better advised simply to assign the functions of such a Director to one of his assistants and leave it to that assistant to beg or borrow the personnel and funds required to commence analytical work on urgent problems of the character described.

d. Office of Executive Personnel. Failing the ability to create such an Office the President could perpetuate the arrangement that now exists: that is, he could give a second job to the man whom he appoints as Chairman of the Civil Service Commission

and use him in the White House as, among other things, a general adviser on personnel policy. By assigning this individual some White House or Executive Office staff, the President could probably induce a start on exchanges with state and local governments, for legislation already authorizes such exchanges. The President could direct this official to look at possible methods for integrating the various federal personnel systems and of broader issues in the personnel field.

e. Advisory Committee on Government Organization. The President does not need reorganization powers to reestablish this Committee. Nor does he need such powers to instruct the Budget Bureau to provide its staff work. On the other hand, in the absence of Executive Office reorganization, it seems likely that it would be more difficult for the President to use this Committee as a means of addressing major problems of government organization because his ability to resist Congressional pressure for a new "Hoover Commission" would be reduced.

The President could meet most of his pressing needs by one expedient or another, even though he were denied reorganization power or he judged it politically unwise to seek such power. We nevertheless recommend that he take the more difficult route of seeking reorganization authority. We do so, in the first place, from conviction that each need can be better met thereby. In the second place, we do so in recognition that we are not situated to judge all, or perhaps even most, of the new demands that the next few years will make on the President and his Office. We believe that he requires and should seek the organizational flexibility to cope with these demands, and we assume that, whatever the political costs, they will be smaller in the "honeymoon" period than at any subsequent time.

Why no new "Hoover Commission"?

The first Hoover Commission achieved great success for two reasons. First, it used for leadership a former President who, mellowed by a long period in private life, stood almost above party. Second, the subject matter was clearly defined and within the traditional limits of studies of public management and government organization. Even the second Hoover Commission lacked the second of these advantages, for it undertook to report on policy issues as well as management. As a result, it enjoyed much less success. The Eisenhower administration found many of its recommendations distasteful, and Meyer Kestnbaum spent a large part of his time as a presidential assistant either disavowing or refusing to act on the second Commission's reports.

We doubt the advisability of a commission imitating the first Hoover Commission. It seems to us unwise either to have the study headed by the obviously eligible ex-President or to have it address traditional problems of organization or management. The needs of the executive branch are too urgent and too disparate to await deliberate and comprehensive examination. The great problems calling for such examination—the federal system and executive-legislative relations—do not lend themselves to appraisal by a large body consisting of ex-officio members. We suggest in more detail in later paragraphs how these problems might be approached.

It is our fear that a new "Hoover Commission," created by bills such as the Pearson or Ribicoff bills (S.47 and S.2116) introduced in the last Congress, would handicap the President in dealing with what we have already described as the major challenge facing him. On the one hand, its existence would encourage postponement of less-than-comprehensive organizational changes, by means of which he may inch toward more

effective accomplishment of governmental purposes. On the other hand, its eventual comprehensive report could add up to criticism of him for not having reached objectives which he might have attained. This latter result would be all the more likely if the Commission, following the original model, was equally divided in party membership but with actual control in the opposition party.

We believe the administration and the country will benefit if the President energetically advocates a targeted rather than a scattergun approach—the handling of urgent administrative problems by an on-going Advisory Committee and study of problems of unusual complexity by commissions specially selected for the purpose.

THE MANAGEMENT OF THE EXECUTIVE BRANCH

Our Task Force has not attempted to examine in detail any organizational problems other than those of the Executive Office. While the paragraphs that follow present some basic recommendations, they consist mostly of points that might well become early agenda items for a reconstituted Advisory Committee on Government Organization.

The Cabinet

We are in agreement that the Cabinet as such can seldom be used for decision-making. Department heads have very little in common. The interests of the Secretary of Defense and the Postmaster General, for example, seldom overlap. An attempt by the President to promote Cabinet debate on serious issues is likely to encounter resistance from department heads fearful lest ill-informed or peripherally interested colleagues speak against them. This has happened in the past. Nor would the President

be served, for he could well find Secretaries bringing forward proposals of which he disapproved, merely to demonstrate that a majority would support them.

Regular meetings of the Cabinet can nevertheless serve a very useful purpose. They help department heads maintain a sense of identification with the administration. If organized essentially as briefing sessions, they can educate members and make them, in their individual capacities and in their public statements, more sensitive to the broad demands pressing on the President. In addition, there will be subjects important to all Cabinet members, such as federal employee labor-management relations, which can be discussed usefully by all.

Departmental reorganization

A strong case can be made out for reorganizing the Executive Branch to consolidate departments of overlapping jurisdiction. HEW, HUD, and elements in transportation and Labor all deal with aspects of the urban-welfare complex. Interior and Agriculture both concern themselves with natural resources. State, related agencies such as ACDA, AID, and USIA, the CIA, and segments of Defense all have to do with foreign affairs. If some functional groupings were achieved, the President's span of control would not extend over so many disparate department heads. Super-Secretaries presiding over such groupings might be able to bring about cooperation such as a Secretary of Defense has proved able to realize from the once-separate departments now under his charge.

Most of us are not persuaded, however, that the case for merging departments has yet been proved. The units making up HEW have not been brought into cooperative relationships, and some of our members believe that merger of HEW with other depart-

ments would make less sense than would removal of Education and elevation of it to departmental status in its own right. Though many concur that Interior and Agriculture should ideally be united in a single Department of Natural Resources, none believes that a proposal to such an effect would make headway against the vested interests that have consistently opposed such a merger in the past. As for a Department of Foreign Affairs, the group feels that there is strong logic for grouping at least some of the present foreign affair agencies, although in the judgment of several, there would be strong resistance from within the agencies.

Our own recommendation is that the reestablished Advisory Committee on Government Organization reexamine proposals for super-departments. Past studies exist in plenty. Relatively little staff work should be required to bring them up to date. The Committee could promptly lay before the President various alternatives and the pros and cons for each. Applying his own knowledge and his own sense of the desirable and the possible, he can then judge whether he wishes to present any major reorganization proposal to Congress.

Cabinet committees

In the meantime, problems that do not fall clearly within the jurisdiction of any one agency might be entrusted to small Cabinet committees. We visualize ad hoc, not standing, committees, and we would recommend that each be kept as small as possible. (One member of the Task Force contends that any committee of more than three will have difficulty reaching decisions.) Possible subjects for such committees might include manpower programs, the relationship between transportation development and urban development, control of public disorders, and the future of Selective Service.

In each committee, one Cabinet member or his designee could serve as chairman, present recommendations to the President, and then bear responsibility for arranging the coordinated execution of the President's decisions. A presidential assistant would presumably be associated with each such committee. His duties could include provision of any necessary staff work and follow-up on execution. Through design of such committees and through appointments to them, the President could give one Cabinet member or one presidential assistant a leading role in several functional areas. However, in order for this arrangement to work well, the President must make it quite clear that the "lead" cabinet member has his full support.

We admit to some uncertainty as to how successful the Cabinet committee device might prove. Standing Cabinet committees, such as those on price stability, have clearly lacked effectiveness. Ad hoc Cabinet committees could turn out to be unnecessary bureaucratic layers, intervening between the President and his assistants on the one hand and operating officials on the other. Certainly, if Cabinet officers designate alternates to sit for them on such committees but fail to give their alternates full powers, the device could make for delay or confusion or both. And it may be that a Cabinet committee system would require a small central staff comparable to that serving the NSC. The proposed Office of Special Studies can provide the analysis necessary for coordination of major programs. We nevertheless put forward the suggestion that the President use the device of Cabinet committees for a few broad problem areas such as urban activities.

The National Security Council

The NSC is, in effect, a Cabinet committee. Its statutory members are the President and Vice-President, the Secretaries of State and Defense, and the Director of the Office of Emergency Preparedness. In practice, President Eisenhower included as regular participants the Secretary and Under Secretary of the Treasury, the Under Secretary of State, the Deputy Secretary of Defense, the Chairman of the Joint Chiefs, The Director of the CIA, and often the service secretaries, the individual service chiefs, the UN Ambassador, and a number of others. As a result, the NSC tended to lose much of its usefulness for action purposes. Meanwhile, a large staff had gathered to serve it. A Planning Board prepared papers for it, and an Operations Coordinating Board undertook to follow up action on NSC recommendations approved by the President. In 1961, President Kennedy practically did away with the NSC and its staff organizations. Seldom summoning formal NSC meetings, he dealt directly with individual departmental officials through his White House national security staff.

President-elect Nixon has already announced his intention to revitalize the NSC. We would recommend that, in doing so, he take care to prevent its becoming once again cumbersome and routinized. To that end, we would urge that he use full meetings of the statutory members, advisers, and deputies much as he uses Cabinet meetings: that is, for mutual education rather than for decision-making. Most of the time, he would find it preferable, we believe, to convene committees of the NSC, made up exclusively of himself, his national security assistant, one staff man to take action notes, and the Cabinet officers or agency heads principally concerned with the issue in hand. Thus, for example, an NSC committee considering a clandestine operation might include, in

addition to the President and his aides, only the Secretary of State and the CIA Director. One on the food-for-peace program might be limited to the Secretaries of State, the Treasury, and Agriculture.

We would also recommend strongly against the reestablishment of large special staffs like those of the Planning Board and the OCB. Planning, participation in decision-making, and follow-up are not readily separable. There must be continuous communication—not just the passing of paper—between those thinking ahead, those making decisions, and those carrying out the decisions.

It is our view that the key to successful revitalization of the NSC lies less within the White House and the Executive Office than within the departments and agencies concerned with national security. To be sure, the President and his national security assistant need stronger staff resources. The twelve to fifteen professionals now working on the NSC staff are adequate for monitoring Situation Room traffic, making sure that all agencies get their views to the White House, and following up on immediate actions. At a minimum, this staff should have four to six additional members, charged not with watching cable flow but with reflection on longer-term issues. Also, it might be useful to the President's assistant and his staff to possess a small research and analysis unit, not necessarily housed in the Executive Office, searching out background information, past departmental staff studies, and the like.

Chiefly, however, planning and analysis should take place within the agencies. We would urge that special attention be given to strengthening such capabilities in the State Department. If that Department possessed a planning staff as strong and as intimately

associated with the Secretary as the Defense Department's Office of International Security Affairs, the President's assistant and his planners would need much less staff work of their own. Their numbers could remain small, and they could concentrate their efforts more effectively.

Similarly, the coordination function ought to fall primarily on the operating agencies. To the extent that the President's assistants can count on agency officials to manage activities in their jurisdiction, they can follow up presidential decisions with relative ease. A phone call from a Presidential assistant to the Deputy Secretary of Defense may be all that is necessary, for example, to check up on execution of a decision by the military establishment. If comparable management capability could be created in the State Department, perhaps extending to activities such as those of AID and USIA, the operational burdens to be borne by the NSC staff could be comparatively light.

Members of the Task Force have agreed that one of the two Under Secretaries of State should have responsibility for managing the complex decision-making process within state. A further possibility would involve assignment of primary responsibility for coordination over the whole foreign affairs community to this Under Secretary. Through the existing Senior Interdepartmental Group-Interdepartmental Regional Groups (SIG-IRG) or some substitute mechanism, he could both search out and report to the NSC issues dividing agencies and also supervise the execution of decisions. If so, he should be added as a regular participant, like the President's national security assistant, in all NSC committee meetings.

The size of the NSC staff and the number and variety of functions to be performed by it depend altogether on the strength and structure of agencies concerned with national security policy, especially the Department of State.

Individual agencies

Though we did not address in detail the organizational problems of particular departments, we can offer one observation applicable to most if not all. It is that department heads characteristically lack adequate staff resources. In nearly all, the top level is large in terms of numbers, but most Assistant Secretaries or equivalents have line responsibilities. They are charged with administering operating bureaus or clusters of bureaus. Inevitably, they become spokesmen for the particular interests or perspectives which their bureaus represent. Most Cabinet Secretaries thus have almost no high level aides helping them consider problems from a department-wide or a presidential standpoint.

The one great exception is the Department of Defense, where all Assistant Secretaries or equivalents have functional jurisdiction (such as Systems Analysis, International Security Affairs, and Research and Engineering), cutting laterally across operating lines. These Assistant Secretaries, equipped with staff of their own, can present the Secretary with well-worked-out alternatives to proposals coming from the JCS, the services, or the field commands. To be sure, the structure and problems of the military establishment are unique, and the Defense model cannot be borrowed wholesale by other departments. Nevertheless, the principle that a department head should have high level staff not engaged in supervising line activities seems to us one of universal applicability.

a. Planning-Programming-Budgeting (PPB). One obvious use for high level departmental staff is budgetary analysis. PPB, first applied in Defense and then introduced into civilian agencies in 1965, provides a method by which department heads may gain greater control over decisions within their bureaucracies. It involves requiring operating agencies to make explicit the long-range goals and long-range budgetary consequences of program proposals. Once goals and consequences have been stated, it can become possible for the Secretary's staff to analyze and put before him alternative proposals for pursuing the same goals, alternative definitions of goals involving different sets of budgetary consequences, and comparisons of the relative costs of potentially competing programs.

It is already quite clear that PPB provides no magic formulae for decision-making. An observable result of its application in Defense was a rise in overall demand for funds. One member of our Task Force holds that the traditional device of an arbitrary budget ceiling serves even better to force consideration of priorities. Nevertheless, the majority of us believe that PPB can serve a useful purpose in enabling a department head to perceive and make choices among alternative goals and programs.

PPB is, however, primarily an analytical tool, the utility of which depends altogether on by whom and how it is employed. Department heads cannot expect useful results unless they seek and place in staff positions first-rate analysts either from within their own agencies or from corporations, business schools, or research centers. One clear lesson from recent experience is that PPB can only be applied selectively. It has no relevance at all for some problems. The Bureau of the Budget has required agencies to analyze in depth too many programs and issues, and the

resultant analysis has usually been of poor quality. Another clear lesson is that provision for systematic evaluation is very seldom built into on-going programs. Even projects avowedly experimental in nature have often been undertaken without any specific plan for evaluating their results.

We would recommend therefore that instructions to department heads to apply PPB be modified to call for selective use. We recommend also that the Bureau of the Budget design and issue a set of program evaluation standards, providing among other things, that no funds be furnished for "experimental" or "demonstration" projects unless the projects are explicitly designed to include evaluation.

b. Research. Another functional area suitable for high level staff concentration is research and development. In a number of departments, research is either divided up among operating bureaus or is neglected altogether. It seems to us that in nearly all cases decisions on research and development should be linked to the long-range policy planning properly in the province of the department head or the President.

Morale in the federal service

Given the challenges that face the Nixon administration, we regard it as of the utmost importance that the President and all his major appointees devote special efforts to winning enthusiastic cooperation from the career employees who, in the end, execute their decisions, represent the government in the eyes of the public, and determine the quality of government services. Some of the energy which in other circumstances might go to building constituencies for legislative proposals should, in this administration, go to winning loyalty and understanding among the government's own agents.

We recommend that each department and agency head be made aware of the President's desires in this regard. We further recommend that the President himself set a conspicuous example. He should, if possible, arrange for an early post-inaugural meeting with the Executive Officers Group. An association made up of top departmental administrators, this Group meets regularly and has a secretary in the Executive Office. We suggest that an appropriate agenda item for such a meeting would be the proposed Office of Executive Personnel described above.

Subsequently, the President should find occasions to visit departments in Washington and, whenever possible, facilities in the field. It should not be a burden to him sometimes to deliver statements or hold meetings in places other than the White House or sometimes to use as a forum outside of Washington a gathering of federal employees rather than one of businessmen, church representatives, or the like. The resulting stimulus to morale could be of great importance to the administration's long-run performance.

A PARTIAL CHECKLIST OF ORGANIZATIONAL PROBLEMS

DESERVING EARLY CONSIDERATION

Major long-term problems

a. Federalism. As stated earlier, we regard federal-state-local relations as a subject calling for careful and sustained examination.

Over the past generation, along with the centralization of policy decisions and financial support in Washington, has come a decentralization of the actual administration

of federal programs, both to the states and cities on the one hand, and on the other hand to private institutions such as universities and business corporations. Some of the most difficult administrative problems today are not within the federal bureaucracy, but in the network of grant-in-aid and contractual relations through which are administered, for example, the new poverty and economic opportunity programs as well as the slightly older military, space, and atomic energy programs. The problems of the ghetto and of the "military-industrial complex" cannot be brought under control by action within the Executive departments alone. No official study has been made which would bring to the Congress and the public an appreciation of the way in which the effectiveness of our policy and the economy of our administration depend on the new structure of public and private federalism.

These problems probably call for a new and critical study, administrative and managerial in focus, but inescapably political in its implications. A small committee of both eminent private citizens and able government officials would be best situated to make an objective study without the temptation to turn it against the policies of the administration.

b. Congressional-executive relations. The most difficult problems in organization and administration are now no longer merely managerial; they have their roots in Congressional politics and in the new procedures invented by Congressional committees for the control of particular parts of the executive. For example, all recent Presidents have found that the impossibility of reorganization in fields like rivers and harbors and the construction of dams is not the result of administrative, but of fundamental political

difficulties. Problems such as these cannot be solved merely by formal reorganization or the reallocation of statutory authority. The increase in the use of such procedures as annual authorizations, and requirements that specific administrative acts be approved formally or informally by Congressional committees or subcommittees, now gives new tools for control to members and staffs of Congressional committees. Earlier organizational studies, because they were asking for Congressional action, considered it imprudent to raise issues of legislative-executive relations. Reform in this area can come only if it can be shown that the interests of the President and the Congress as a whole are not in conflict, but that they have a common interest in establishing comprehensive and responsible policy against the special interests created by alliances between Congressional subcommittees and particular federal bureaus.

This difficult subject may well call not for formal study but for a series of informal discussions between the President and leading members of the executive on the one hand, and Congressional leaders on the other. Some special studies of the problem commissioned by the Executive Office (perhaps with the collaboration of the Legislative Reference Service of the Library of Congress) could serve as the basis for the agenda of such discussion. The President and one or two Cabinet members might get together with three or four senior legislators to discuss lessons that might be drawn from a study of one particular appropriations process. Other Cabinet members and legislators might review a study of a different subject. In view of the inherent difficulties in this relationship it would perhaps be wiser not to be committed in advance to any set schedule or pattern.

Problems for Consideration by an Advisory Committee

on Government Organization

a. The foreign affairs community. No administrative problem is more urgent than that of how to introduce greater planning and managerial capacity into the welter of agencies concerned with diplomacy, aid, propaganda, arms control, intelligence collection and evaluation, and military action. Among specific matters deserving consideration are the Foreign Service Association proposals for reorganization of the State Department; the perennial question of how much autonomy AID and USIA should enjoy; the possible desirability of transferring administration of military aid from Defense to State; the competition existing among intelligence agencies; and the question of whether the Joint Chiefs of Staff should continue to be made up of operating heads of services.

b. The urban-welfare complex. The problems here are second in urgency only to those in the foreign affairs community. Among specific issues are the future disposition of operating activities of OEO; the coordination of federal efforts in welfare and education; and the future of federal efforts to assist state and local law enforcement agencies.

c. Problems of lesser urgency. These include possible transformation of the Post Office into a public corporation; possible consolidation of federal activities relating to communications, cultural affairs, and scientific affairs; the future administration of the space program; and possible means for improving or altering the character of regulatory agencies.

Franklin A. Lindsay, Chairman
Philip E. Areeda
David E. Bell
Roswell L. Gilpatric
Stephen Horn
Marshall A. Jacobs
Henry Loomis
Ernest R. May
Rufus E. Miles, Jr.
John A. Perkins
Don K. Price, Jr.
Elliot L. Richardson
Charles A. Schultze
Charles B. Stauffacher
Rocco C. Siciliano

Memo to H.R. Haldeman

From Buchanan

December 22, 1968

During our conversation about the "diatribe" I discussed briefly the idea of having the Kissinger or Moynihan who takes all the pros and cons to the President being required to file with the "dissenter" a copy of how the Minority view of the dissenter is presented.

The purpose of course is to guarantee to those making the inputs that their views are being fully presented, that the President is getting the "other side of the coin" ably presented.

It is an idea which you may not agree with---but it gets at a goal which I am sure you concur in---namely--that we must guarantee that RN is made privy to the best arguments on every side of an issue.

Buchanan

The reason I am sending this along is that it was not in the memo that I sent---and it is a thought which you want to consider or modify in setting the structure up.

Buchanan

December 19, 1968

To Messrs: Ash
Haldeman ✓
Harlow
Kissinger
Mayo
Moynihan

From: Henry Loomis *HL*

The Task Force on Organization of the Executive Branch submitted its report yesterday. Mr. Burns considered it of sufficient importance to discuss it with Mr. Nixon today and to suggest that it warrants careful reading.

I am enclosing a copy for your information.

Mr. Lindsay has indicated that he would be happy to discuss the report further with any of you who may be interested.

*Tends to identify problems in Ash report
poses diametrically opposite concept to Ash's proposal
good for comparison - which fits Pres. style?
contrast will help crystallize*